

1 credit cards, guys, we've got to look at these  
2 differently. Okay, now it's got to be considered in  
3 our minds OPM. Now, I cannot stress this enough. Do  
4 not use your credit cards to buy consumer crap. For  
5 93 percent of Americans, that's the problem, is  
6 they're buying consumer crap, they're paying for  
7 things they can't afford (inaudible) payments and  
8 something happens (inaudible).

9 My wife and I, all the credit cards we have  
10 now -- we started with five cards, but all the credit  
11 cards we have, we don't use any of them for consumer  
12 crap. They're all investment tools. And it's  
13 something you have to get yourself on.

14 Now, when you get your credit cards, you are  
15 no longer ever going to sign the back of your credit  
16 cards, guys. On the back of all your cards, you are  
17 going to write "see photo ID." See photo ID. Not  
18 just see ID; see photo ID. Once you write "See photo  
19 ID" on those cards, you're going to photocopy the  
20 front and the back of those cards. Two reasons.  
21 Number one, every credit card in the world that says  
22 if this card is lost or stolen call this number.

23 Where's the number? On the back of the cards, right?

24 Number two, I don't know why in the world in  
25 today's times you would want to give somebody a

1 perfect example of your signature. On the back of all  
2 of our cards, we write "see photo ID." Here's the  
3 reason why. I know some of the biggest fears of  
4 people when it comes to credit cards is if somebody  
5 steals my card. If someone takes one of my cards and  
6 they go on a spending spree, who's responsible for  
7 those charges?

8 AUDIENCE: (Inaudible).

9 MIKE SCHREINER: The merchant that accepted  
10 the credit card. See, the minute you sign the back of  
11 a credit card, you took all responsibility off the  
12 credit card company. When I put "see the photo ID,"  
13 my card gets stolen, somebody goes on a spending  
14 spree, the credit card company comes after me, I'm  
15 like, no, see that's why I photocopy all of those  
16 cards. We keep them in our vault. So I actually  
17 photocopy with the fax machine.

18 The reason is is it time date and stamps  
19 that -- that photocopy, right? So I just show them,  
20 look, when we got the card, we put "see photo ID."  
21 Somebody went on a spending spree, that's not on me.  
22 You need to now (inaudible) the merchant because they  
23 accepted that card without asking for photo ID.

24 Has anyone ever dealt with a store, some  
25 kind of retailer, that would not accept a credit card

1 because you didn't sign it? Yep, and that's why,  
2 because they've had issues in the past where they've  
3 taken the responsibility, that's why they don't want  
4 us. So if they won't accept my card when I have "see  
5 photo ID" and I can show them the photo, I won't do  
6 business with them anyway. But that's why, they've  
7 gotten burned because (inaudible).

8 See, in fact, I'll tell you, one of my  
9 wife's Discover cards was stolen two and a half months  
10 ago. Right after it was taken, she called me. She's,  
11 like, hey, that Discover card showed up missing. I  
12 don't know where it's at; you need to cancel it and  
13 get a new card. I said, all right, honey, I'm all  
14 over it. A month later, she didn't get the new card.  
15 So she calls me again. She's all what's going on, I  
16 haven't gotten this new card. I said don't worry  
17 about it, honey, I've got it covered.

18 Two months go by now, and she's like this  
19 can't take this long, what the heck? Usually Discover  
20 is all over it. Now I'm going to call. I said, don't  
21 worry about it, honey, I got it taken care of. I  
22 never called Discover, guys. See, the guys that stole  
23 that credit card from my wife, this guy is spending  
24 way less money than she used to spend.

25 (Laughter.)

1           MIKE SCHREINER: He saved me money every  
2     single month.

3           (Laughter.)

4           MIKE SCHREINER: I'm just kidding. Bad  
5     joke, I know, but you see where I'm going, right? If  
6     that was to happen, I'd have to let the credit card  
7     company know it's gone, but it doesn't fall on me.  
8     I'm not responsible for it. So all of our cards,  
9     guys, "see photo ID." That way I'm not responsible  
10    for those charges.

11           All right, so this is something you want to  
12    do every quarter. Again, in business, everything is  
13    done in quarters. In fact, when it comes to business,  
14    everything is done in projections. So I'm going to  
15    teach you how now to talk with these credit card  
16    companies. Because, number one, whose credit card is  
17    it? Who's in charge of that credit card? You are.

18           See, here's the thing, though. Credit card  
19    companies only have so much credit they can extend.  
20    If you're not using it, they're going to take it away  
21    and give it to somebody who does. How many of you in  
22    here have paid your card every single month and you  
23    notice that they lowered your (inaudible)? You guys  
24    seen that? And that's why, guys. If you're not using  
25    it, there's no reason -- there's no validation. We

1 use ours. In fact, I have to float so much money on  
2 my credit card. See, I'm comfortable floating my  
3 credit card debt up to two years, as long as the  
4 benefits outweigh any of my costs. So I'll teach you  
5 that tomorrow, how we float our debt.

6 But, guys, credit cards, if you're doing it  
7 right, can be some of the greatest tools. And there's  
8 just one thing I'm going to teach you, but I love it  
9 because it's such a knee-jerk reaction, because you  
10 all have been (inaudible) for the wrong reasons. So  
11 here's how we negotiate with our credit cards. The  
12 first thing you do -- and you can take a screen shot  
13 of this screen as well. You need to call and find out  
14 what your limit is. Like I said, some of you had  
15 increases, some of you had decreases you didn't even  
16 know they've had the increases or decreases. We got  
17 to know where we stand.

18 Number two, what is my current balance? It  
19 amazes me how many times you know people have no idea  
20 what their balance is. And you see it in the  
21 supermarkets, right? They -- they swipe their card  
22 and they're just standing there, oh, please, oh,  
23 please, oh, please, right? And then it goes through  
24 accepted and they're like, whoo, because they don't  
25 know what's available.

1           Number three, please promise me that you're  
2     going to do this over lunch (inaudible) ask number  
3     three as you're driving your car. I guess some of you  
4     all are paying 25, 24 percent on your credit cards,  
5     and you don't even know you're paying that high of  
6     interest.

7           Number four, do I have fees with my account?  
8     Now, some of you are paying for fees you don't even  
9     know you are. Here is my thing about fees. If you're  
10    getting something with the fee, okay, right, and this  
11    kind of comes back to what I was talking about  
12    earlier. If I paid \$50,000 in cash for something,  
13    what's my benefit? Nothing. I put \$50,000 on a  
14    credit card, what's my benefit? Right, sky miles,  
15    hotel points, cash-back rewards.

16           We have eight Discover cards, and that's  
17    why, guys. They have 5 percent cash back (inaudible).  
18    So then I can use Discover's money to buy more of my  
19    product, then my profitability is (inaudible) because  
20    I don't have my cash tied into it. I'm using their  
21    money to make my business make money. So this is why,  
22    guys, but I've got to know, though, what fees I'm  
23    getting.

24           Here's the thing, Bank of America is  
25    probably the worst offender of this. Almost every

1 card Bank of America has, they charge you a \$48, \$50 a  
2 year fee. Now, seven years ago, when TARP got paid  
3 back, see, the laws changed. You used to be able to  
4 call when you wanted to get your (inaudible) they'd  
5 just cancel your card. The laws changed once TARP got  
6 paid back. So, now, they can waive -- if they can't  
7 validate it, they can waive it. In fact, including  
8 this one, too, guys, when you call and you say, hey,  
9 what fees do I have and Bank of America says, well,  
10 it's \$50 a year. Great, what am I getting for it, and  
11 they say nothing, then you say, great, I can get that  
12 waived. Now, they may say, we can't waive it on this  
13 card. Okay, what other cards do you have? Oh, we've  
14 got this one and this one we can get you and there's  
15 no fee on that one. Awesome.

16 I just picked up two more lines of credit  
17 without doing anything for it. If I'm not getting  
18 something for it, I'll get them to waive it or I'll  
19 find something else. But I'm getting hotel points  
20 like -- I guess (inaudible) theirs is not \$50 a year,  
21 but the cash-back rewards I get every month surpass --  
22 it's what I'm getting over what I'm paying a year.  
23 Does that make sense?

24 So, guys, if you're getting something for  
25 the -- for that fee, pay it, but if you're not, get it

1       waived. Huh?

2               AUDIENCE: (Inaudible).

3               MIKE SCHREINER: I don't ever close a card.

4       A lot of times I'll get them to move it to maybe  
5       another card, or I'll just get them to waive it. See,  
6       here's the thing, though. Bank of America, let's just  
7       say all they had was 10,000 users. Do you think  
8       they're going to call those 10,000 people and say,  
9       hey, that \$50 a year (inaudible) pay? No, they want  
10      their money, don't they?

11              Number five, I want you to add something.  
12      You're going to say, I'm going to make a purchase, I  
13      need an immediate increase on my credit limit. Do  
14      they want to give you an increase on your limits, yes  
15      or no?

16              AUDIENCE: Yes.

17              MIKE SCHREINER: Yeah, guys. They're under  
18      -- they're under the mindset you're going to go out  
19      there and screw it up like 93 percent of Americans do,  
20      and they're going to make a ton of money with you on  
21      your next (inaudible) okay? Now, here's the rules for  
22      today's time. Do not go outside of these parameters.  
23      Like I said, guys, long gone are the days of calling  
24      your credit cards and asking them for \$100,000 raise  
25      because then they would give it to you.



1           So here's the rules for today's time. If  
2     you are at the single-digit on your limit, so let's  
3     say your limit is five grand, you're going to triple  
4     the amount. So if I have a \$5,000 limit, I'm going to  
5     ask for a \$15,000 increase, giving me access now to  
6     \$20,000. If you're at the double-digit, so say 10,000  
7     -- say I have a \$10,000 limit, you're just going to  
8     double it. So ask for a \$20,000 increase, giving you  
9     access to \$30,000. Don't go out of those parameters  
10    with today's times, guys. Like I said, long gone are  
11    the days of saying, hey, give me 100 grand and you can  
12    get it. So single-digit, you want to triple it;  
13    double-digit, double it. Okay?

14           Then I want to get my interest rate lower.  
15    How low do we want them to go?

16           AUDIENCE: (Inaudible).

17           MIKE SCHREINER: Zero. Now, they're not  
18    going to give you zero, but here's the thing. Let's  
19    just say they are willing to give you 11 percent, and  
20    you're, like, look, the average is 15 and I'm paying  
21    now; can you give me 15 percent? And they were  
22    willing to give you 11 percent, what are they going to  
23    give you? You can always go up, guys; you can't go  
24    back down.

25           In fact, one of my Discover cards, I called,

1 and I was talking to the supervisor, and I said,  
2 great, I said, look, I need to get my interest rate  
3 lower. And the guy pulled up my account, and he says,  
4 Mr. Schreiner, I just looked, and you've never paid an  
5 interest payment. I said, I understand that, but I  
6 don't know what the future holds and if I have to  
7 carry a balance, I don't want to pay 23 percent.

8 He's like, okay. So he gets (inaudible) and  
9 he's like, look, I can get you down to 11 percent.  
10 Awesome. Now, I'll never pay 11 percent. But I want  
11 it in there that I negotiated my interest down. See,  
12 now, when I call my Discover card, guys, every time I  
13 call (inaudible) when I call my Discover card now,  
14 that dollar-an-hour guy, right, the entry-level guy  
15 that answers the phone, he looks at my account and he  
16 says, oh, let me get you to the supervisor, because  
17 when he pulls up my account history, he sees that I --  
18 I call every quarter to get the interest on my limit,  
19 and he thinks I'm (inaudible) talk to a supervisor,  
20 because that's the (inaudible) key to this, guys, is  
21 you always want to then ask to speak to a supervisor.

22 See, a supervisor can always give more and  
23 do more from the dollar-an-hour guy, the entry-level  
24 guy. Now, here's the key to getting to a supervisor.  
25 Let's just say I got the increase. Hey, Mrs. Smith,

1     you did a great job, you got me to 10 grand, let me  
2     talk to a supervisor. And she may be, like, well, Mr.  
3     Schreiner, I got what you wanted. I know, you did a  
4     great job for me, I want to let your supervisor know  
5     what a great job you did for me. Where are you going  
6     to be at in the queue now? You're at the top of the  
7     game, right? You're number one, aren't you?

8             The supervisor comes on the phone. I'm  
9     like, hey, Mrs. Smith did a great job for me; she got  
10    me to the 10 grand that I was asking for, but what I  
11    really needed was 20 grand, what can you do for me?  
12    All right, but on the other side of that, let's say I  
13    don't get the increase. Hey, Mrs. Smith, let me talk  
14    to one of your supervisors real quick. Well, Mr.  
15    Schreiner, look, we're an automated system, I switched  
16    you here, I tried that, and there's just no way we can  
17    get it done. I said, I know, but you worked really  
18    hard for me and I want to let your supervisor know  
19    what a great job you did for me.

20            And, again, I'm number one in the queue,  
21    right? The supervisor comes on the phone, look, Mrs.  
22    Smith did a great job, she switched me to try this, I  
23    know you're automated, she couldn't get it for me,  
24    what can you do for me? Guys, supervisors can always  
25    do more and give you more than the dollar-an-hour

1 entry-level guy can do.

2 Same with the interest rate, right? How  
3 many of you by show of hands are willing to either try  
4 CreditNav or do it on your own with credit card  
5 strategy? How many by a show of hands are willing to  
6 at least give it a try?

7 Okay, if your hand is not in the air, my  
8 question to you is what do you got to lose? Because  
9 what's the worst thing any of these places can say to  
10 you?

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: No. And I will tell you  
13 right now, guys, if you cannot handle hearing no,  
14 business is not for you. Do you think we get told no  
15 a lot in this business, yes or no?

16 AUDIENCE: Yes.

17 MIKE SCHREINER: Oh, man, when it comes to  
18 manufacturing, when it comes to -- when it comes to  
19 wholesalers, liquidators, guys, you're going to get  
20 told no a lot. If you can't handle your no's  
21 (inaudible). Fair enough?

22 Okay. So here's what we're going to do,  
23 guys. I'm going to have the consultants come up.  
24 They're going to read out the list of names of people  
25 they're going to be meeting with. So you'll meet with

1 your consultant before you go to lunch today. They'll  
2 also give you the information for the CreditNav. Now,  
3 if nothing else, if you're still scared of credit and  
4 you're paralyzed and you can't do anything, at least  
5 find out what your credit scores are, at least find  
6 out where you sit, if nothing else, guys. We've got  
7 to take control of what is ours, because who controls  
8 your credit? You do. Those agencies that are out  
9 there just report it. They don't control it. Do you  
10 have the mic?

11 So you're going to meet with your  
12 consultant. They're going to give you some  
13 information on the CreditNav so you can use those  
14 guys. Today's lunch, though, is going to be an hour.  
15 So I've got 1:44. After (inaudible) with these guys,  
16 let's call it 1:50, so an hour for lunch means I'll  
17 start training again right at 2:50. These doors will  
18 be open over lunch. These guys are here to help. How  
19 many of you all learned something here this morning.  
20 How many of you learned something? Yeah? How many of  
21 you are having fun? Awesome.

22 Mike, go ahead.

23 MIKE ETHINGTON: All right. So I will go  
24 ahead and read the names of those who are working with  
25 me this weekend. We will meet up in this corner, the

1 left corner here -- well, your right corner, my left.  
2 So I have Elizabeth, Anna, J [REDACTED], Santiago and Betty,  
3 Alberto, I think it's Adarius and Adondez, guests of  
4 Amanda, Moises and Luis, and lastly I have Mirabelle  
5 and Asacado. All right.

6 TERRY: Okay, I will be meeting in that far  
7 back corner, back there. I'm meeting with -- Joe is  
8 in my group, Vivian, along with Giannia, Alexandria,  
9 Valeria, Harry, Gannelli, Lance -- Lacey, excuse me,  
10 and Kit, Stephen and Nadine, Daniella, Emmanuella,  
11 Nasium, Lazaro, Stephanie, and Dika. We're meeting  
12 back in that corner back in the back.

13 JEFF: All right, these are all of you who  
14 just won the lottery and get to work with me.

15 (Laughter.)

16 JEFF: I'm just joking. We're going to be  
17 meeting out in that hallway out -- okay? Gotney, Raj  
18 Kalusha, Dan Guthry, Eva and Olsana, Jerome Peterson  
19 and Lion, Azure and Panna, Velma Walker, Royal and Roy  
20 Thurston, Dagarocho and Edna, and Michael last. You  
21 guys will follow me out there in the hallway.

22 LILY: Right, I'm going to pick back there  
23 by the coffee, and I have Patricia, Fernadido, Gerald,  
24 Joe, Dino and Fabio, Tammy, Jose, David and Elizabeth,  
25 Robert and Anna, Edward and Takia -- I may have

1 pronounced that wrong. I'm going to be in the back,  
2 right there by the coffee.

3 NIKKI: Okay, my group, we're going to meet  
4 right over here in the corner. I have Esther Payne,  
5 Peter Sang, Mubish Kumar (inaudible) and guest, Maria  
6 -- Mariella Geraldo, Kidara Rettig, Danlea Edwards, I  
7 hope I didn't fail that one.

8 (Background conversations and mingling.)

9 MIKE ETHINGTON: (Inaudible) assignment for  
10 the lunch hour, if you can figure out what your credit  
11 score is, okay? I like this system, the  
12 CreditNav.com, because it will give you all three  
13 scores, okay? Some of you have CreditKarma, those  
14 give you two scores. Most give you two scores if it's  
15 a free service. The other option, Discovery, will  
16 give you like one credit score. The reason  
17 (inaudible) they'll give you all three so you know  
18 exactly what those scores are. This is going to cost  
19 you \$1, okay, to do this, and then you want to set  
20 your alarm on your phones to cancel it within seven  
21 days so you don't get charged their monthly fee.  
22 Okay?

23 But what I would do is log in. Once you get  
24 your report, I would either print that report off or  
25 just save it as a PDF to your computer so you have

1 your entire full report. And then like I say, go  
2 ahead and cancel it because you don't need the monthly  
3 service, but it's great to get all three scores, okay?

4 This is also tied to a funding affiliate  
5 that we work with, and they can give you additional  
6 funding for your business, if that's something you're  
7 interested in, but if you don't get your three scores  
8 then we can't offer that service. Okay?

9 So figure out what your credit score is  
10 during the lunch hour. Go to CreditNav and find that  
11 out. When you come back from lunch -- I'll be in the  
12 room all during lunch, so if you have questions or if  
13 you need help, let me know. I'm happy to help you out  
14 in any way that I can, okay?

15 But when you come back from lunch, follow up  
16 with me and let me know how it went and what your  
17 score is. I will write that into your profile. It's  
18 all private. I'm not going to share it with anybody.  
19 And then I will know how to better assist you tomorrow  
20 when we meet one-on-one. So we'll be meeting one-on-  
21 one tomorrow.

22 I'll have an opportunity to sit down with  
23 you guys for about 30 minutes and talk about where you  
24 are and when you want -- where you want to go moving  
25 forward, talk about your funding and things like that



1 that will help you with your business moving forward,  
2 okay?

3 So definitely follow through on this.  
4 Follow up with me after lunch, and I'll write that  
5 down -- that information down for you so that I have  
6 it and then that will help me to help you. Okay?

7 Outside of that, enjoy your lunch hour, and  
8 then I will see you when you get back. All right?

9 AUDIENCE: Thank you.

10 MIKE ETHINGTON: You're welcome.

11 (Background conversations and mingling.)

12 (New audio file: Day 1 - Part 2.wma)

13 (Background conversations and music.)

14 MR. TYNDALL: Oh, hi. I was wondering, do I

15 --

16 UNIDENTIFIED REPRESENTATIVE: (Inaudible).

17 MR. TYNDALL: Okay. Thanks.

18 (Background conversations and music.)

19 MR. TYNDALL: I still haven't gotten my  
20 appointments.

21 UNIDENTIFIED MALE: Oh, when is it?

22 MR. TYNDALL: I don't know. They haven't  
23 given me one yet.

24 UNIDENTIFIED MALE: Oh. Then it must be for  
25 tomorrow.

1 MR. TYNDALL: Yeah, I think (inaudible)  
2 tomorrow.

3 (Background conversations and music.)

4 MR. TYNDALL: Would you say it's about 75  
5 people here?

6 UNIDENTIFIED MALE: Yeah, I'd say about.

7 MR. TYNDALL: Yeah.

8 (Background conversations and music.)

9 MR. TYNDALL: I like all these quotes. You  
10 should still do it. (Inaudible).

11 UNIDENTIFIED MALE: This guy's a flipping  
12 genius.

13 MR. TYNDALL: I know.

14 UNIDENTIFIED MALE: He's such a natural  
15 marketer.

16 MR. TYNDALL: I know. Tesla and Roadster  
17 and space.

18 UNIDENTIFIED MALE: Yeah.

19 MR. TYNDALL: Yeah.

20 UNIDENTIFIED MALE: When you start going  
21 through his strategies of how he -- he needed to  
22 establish Tesla, so he brought out the high-speed  
23 Roadster.

24 MR. TYNDALL: Yeah.

25 UNIDENTIFIED MALE: You know, because he had

1 a niche market that was willing to pay.

2 MR. TYNDALL: Yeah.

3 UNIDENTIFIED MALE: And he went after the  
4 entrepreneurs, and then he got his company  
5 established.

6 MR. TYNDALL: Yeah.

7 UNIDENTIFIED MALE: And then he started  
8 building -- one of the things that's interesting is  
9 he's in kind of some deep water financially on Tesla.

10 MR. TYNDALL: Oh, yeah.

11 UNIDENTIFIED MALE: Because he expanded all  
12 these new cars.

13 MR. TYNDALL: Huh.

14 UNIDENTIFIED MALE: And he's having trouble  
15 with manufacturing.

16 MR. TYNDALL: Yeah.

17 UNIDENTIFIED MALE: And just costs.

18 (Background conversations and music.)

19 UNIDENTIFIED MALE: He could have -- I think  
20 if he had gone slower (inaudible). But he introduced  
21 the SUV and the luxury cars.

22 MR. TYNDALL: Yeah.

23 UNIDENTIFIED MALE: And he's got the S and X  
24 and all sorts.

25 MR. TYNDALL: He's certainly an optimist.

1 UNIDENTIFIED MALE: Yeah. Yeah.

2 MR. TYNDALL: And he gets -- he does things  
3 that people say are impossible to do.

4 UNIDENTIFIED MALE: Oh, yeah. No, no, I  
5 think he's a genius, but --

6 MR. TYNDALL: Yeah.

7 UNIDENTIFIED MALE: -- I just think he may  
8 have moved a little too fast --

9 MR. TYNDALL: Yeah.

10 UNIDENTIFIED MALE: -- on Tesla. And he's  
11 kind of caught now, I think.

12 MR. TYNDALL: Yeah.

13 (Background conversations and music.)

14 MR. TYNDALL: Well, my friends will be,  
15 like, say I get it at lunch, they won't tell me until  
16 like 4:00 or 5:00.

17 UNIDENTIFIED MALE: Mm-hmm.

18 MR. TYNDALL: And I'll be, like, why didn't  
19 you tell me earlier. They're, like, I don't know.

20 UNIDENTIFIED MALE: (Inaudible) friends like  
21 you, you know, yeah.

22 MIKE ETHINGTON: Gentlemen.

23 MR. TYNDALL: Hi.

24 MIKE ETHINGTON: How's it going? How did  
25 lunch go?

1 MR. TYNDALL: Good, good. We went to  
2 Chewy's.

3 MIKE ETHINGTON: Yeah, good. Yeah, Chewy's.  
4 Oh, nice.

5 MR. TYNDALL: Yeah.

6 MIKE ETHINGTON: I want to go there. That  
7 was good?

8 MR. TYNDALL: It's really good.

9 MIKE ETHINGTON: Was it all right?

10 UNIDENTIFIED MALE: Oh, it's great.

11 MIKE ETHINGTON: Yeah?

12 UNIDENTIFIED MALE: Yeah.

13 MR. TYNDALL: Yeah, yeah.

14 MIKE ETHINGTON: Cool, okay. I'm going to  
15 go. I've got your appointment time.

16 MR. TYNDALL: Okay.

17 MIKE ETHINGTON: 8:30 tomorrow morning.

18 MR. TYNDALL: Okay.

19 MIKE ETHINGTON: So that's 30 minutes before  
20 class starts.

21 MR. TYNDALL: Okay.

22 MIKE ETHINGTON: And you -- you don't miss  
23 any class.

24 MR. TYNDALL: Okay, cool.

25 MIKE ETHINGTON: (Inaudible).

1 MR. TYNDALL: Cool. Where -- where do we  
2 meet?

3 MIKE ETHINGTON: It's -- so we'll meet  
4 outside of this room, just in that hallway area.

5 MR. TYNDALL: Okay.

6 MIKE ETHINGTON: We'll have a table out  
7 there for you.

8 MR. TYNDALL: Okay.

9 MIKE ETHINGTON: And then I'll have an  
10 opportunity to get to know you better and help you out  
11 this weekend.

12 MR. TYNDALL: Okay. Okay.

13 MIKE ETHINGTON: All right? How did it go  
14 with the CreditNav assignment from lunch?

15 MR. TYNDALL: I haven't been able to do it.

16 MIKE ETHINGTON: Not a problem.

17 MR. TYNDALL: Can I do it --

18 MIKE ETHINGTON: So we'll just -- yeah,  
19 tonight sometime.

20 MR. TYNDALL: Okay.

21 MIKE ETHINGTON: Just as long as you have it  
22 for tomorrow.

23 MR. TYNDALL: Okay.

24 MIKE ETHINGTON: Then -- then I can help you  
25 during the consultation --

1 MR. TYNDALL: Okay.

2 MIKE ETHINGTON: -- if I know that info.

3 MR. TYNDALL: Okay.

4 MIKE ETHINGTON: Sound good?

5 MR. TYNDALL: Is there anything else that I  
6 should bring?

7 MIKE ETHINGTON: Okay. Yeah, so, Mike will  
8 go over some additional homework, but then we're going  
9 to have another five-minute breakout at the end of the  
10 day, and I'll review it with you before you go.

11 MR. TYNDALL: Okay.

12 MIKE ETHINGTON: So you know what you're  
13 doing.

14 MR. TYNDALL: Okay.

15 UNIDENTIFIED MALE: Oh, okay.

16 MR. TYNDALL: Okay. Thanks.

17 MIKE ETHINGTON: Okay, sound good? All  
18 right, you guys. Look forward to it.

19 (Background conversations.)

20 MR. TYNDALL: I like those cards.

21 UNIDENTIFIED MALE: Yeah.

22 MR. TYNDALL: Pretty cool. I actually like  
23 the color scheme.

24 UNIDENTIFIED MALE: Yeah.

25 MR. TYNDALL: That's, like blue -- blue and

1 gold.

2 (Background conversations.)

3 UNIDENTIFIED MALE: Is that what they want  
4 you to fill out today?

5 MR. TYNDALL: What's that?

6 UNIDENTIFIED MALE: (Inaudible).

7 MR. TYNDALL: Yeah.

8 UNIDENTIFIED MALE: Hmm. That means they  
9 get your stuff.

10 MR. TYNDALL: Yeah. Well, and I'm sure they  
11 get a -- like a referral, you know.

12 UNIDENTIFIED MALE: They may send it to  
13 them, too.

14 MR. TYNDALL: Yeah.

15 UNIDENTIFIED MALE: (Inaudible).

16 I think it's amazing when you look at Elon  
17 Musk with the -- like when he did that thing where he  
18 shot it to Mars.

19 MR. TYNDALL: Oh, yeah.

20 UNIDENTIFIED MALE: You know, the planes --  
21 I mean, the rockets all came back and landed --

22 MR. TYNDALL: Yeah.

23 UNIDENTIFIED MALE: -- (inaudible). I guess  
24 he's done a couple now where he's -- what he's trying  
25 to do is the (inaudible) opens up with the satellites



1 in it.

2 MR. TYNDALL: Oh, yeah, he wants to capture  
3 that as well.

4 UNIDENTIFIED MALE: Yeah, and it's supposed  
5 to come down in the -- and land on a barge in the  
6 ocean.

7 MR. TYNDALL: Yeah.

8 UNIDENTIFIED MALE: Yeah. I've heard the  
9 last couple were close but not quite on the barge.

10 MR. TYNDALL: Yeah. Well, I read -- I just  
11 read that he wants to launch -- recover the rocket and  
12 then relaunch again within 24 hours.

13 UNIDENTIFIED MALE: Yeah, yeah.

14 MR. TYNDALL: Yeah. Yeah, it seems like  
15 it's kind of accelerating. Like ten years from now,  
16 who knows?

17 UNIDENTIFIED MALE: Right.

18 MR. TYNDALL: I mean, like, have daily space  
19 flight or something.

20 UNIDENTIFIED MALE: Yeah. Well, you --  
21 well, and, actually, there are three companies who --  
22 SpaceX is one -- that are looking to do that.

23 MR. TYNDALL: Yeah.

24 UNIDENTIFIED MALE: You know, Virgin's going  
25 to do it, and there's another one.

1 MIKE SCHREINER: Go ahead and find your  
2 seats and we'll get started.

3 UNIDENTIFIED MALE: And they all want to  
4 reuse (inaudible).

5 MR. TYNDALL: Yeah.

6 UNIDENTIFIED MALE: Which is just amazing.

7 MIKE SCHREINER: One of the things I want to  
8 talk about here real quick when we come -- as we come  
9 back. I kind of led into it with who we're hanging  
10 out with, right, who are we letting influence our  
11 circle of wealth, who -- who's driving your financial  
12 car. I got thinking about this over lunch, because a  
13 lot of times we're letting other people drive where we  
14 want to be with our finances. We're putting somebody  
15 else in control and we have no idea who's driving or  
16 who's doing our car. Does that make sense?

17 AUDIENCE: Yeah.

18 MIKE SCHREINER: Because for me I can't  
19 think of anything scarier than handing my lifeline of  
20 me and my family over to somebody else and letting  
21 them be in charge. So if (inaudible) has anyone in  
22 here ever seen the video clip with Jeff Gordon driving  
23 the car? You guys ever seen this?

24 AUDIENCE: No..

25 MIKE SCHREINER: A few of you have. Do you

1 guys know who Jeff Gordon is?

2 AUDIENCE: Yes.

3 MIKE SCHREINER: Okay, so Jeff Gordon is a  
4 NASCAR driver.

5 AUDIENCE: Oh.

6 MIKE SCHREINER: He races NASCAR, but he did  
7 this thing with Pepsi, and I want to show you guys,  
8 because it's hilarious. But some of the stuff it  
9 pulls up -- because this was (inaudible) I'm always  
10 showing my kids and stuff too. But this is one where  
11 he was in this test drive with Pepsi.

12 (Jeff Gordon video played.)

13 JEFF GORDON: Oh, wow.

14 STEVE: Yeah, nice and easy for you. Just  
15 head on out whenever you're ready.

16 JEFF GORDON: Are you ready to go ahead and  
17 drive? Okay.

18 STEVE: Sure.

19 JEFF GORDON: Whoa, that's a little more  
20 than I'm used to.

21 DAVE: That's all right.

22 (Video pause.)

23 MIKE SCHREINER: So it's really funny.  
24 Anybody who knows NASCAR, he's saying it's a little  
25 more than he's used to. NASCARs are putting out

1 almost, what, 2,1-, 2,200 force. They're kicking out  
2 1,100 foot pounds of torque at the wheel. So he's  
3 driving this just stock -- it's not even the big-block  
4 Camaro. It's funny to see what he says.

5 (Jeff Gordon video played.)

6 STEVE: It's got some power, so just get a  
7 feel for it.

8 JEFF GORDON: Okay.

9 MIKE SCHREINER: Okay, all right. He's like  
10 (inaudible).

11 JEFF GORDON: -- more age on me, some  
12 wrinkles, a little dorky, maybe some facial hair into  
13 somebody that I can pull off a fun prank with. Let's  
14 go have some fun.

15 And my good friends at PepsiMax have hooked  
16 us up with this cool cam-cam. So these are the  
17 glasses cam that show you everything that I see.

18 STEVE: How you doing?

19 JEFF GORDON: Hello, I'm Mike.

20 STEVE: Steve, nice to meet you, Mike. I  
21 saw you sort of gravitated towards the Camaro. You  
22 thinking about getting one?

23 JEFF GORDON: Oh, no, no, no, no. This --  
24 this is way too much car for me. I'm --

25 STEVE: Well it's a lot of power, but they

1 designed it to be very safe.

2 JEFF GORDON: I don't know if I can handle  
3 it. I've never driven anything like this before --

4 STEVE: Well, I tell you what, I think a way  
5 to really make you feel comfortable will be to put you  
6 behind the wheel.

7 JEFF GORDON: You're good.

8 STEVE: What are you driving now?

9 JEFF GORDON: Oh, just a minivan.

10 STEVE: Oh, yeah, yeah.

11 JEFF GORDON: What am I signing here?

12 STEVE: You're not obligated.

13 JEFF GORDON: You sure?

14 STEVE: It's just a checkout sheet for a  
15 test drive. You're not obligated to anything. It's  
16 just so we know who's out. Let's go give it a drive.

17 JEFF GORDON: I'm getting a little nervous.

18 STEVE: No, I'll be right there beside you.

19 Here are your keys, sir.

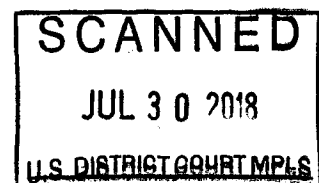
20 JEFF GORDON: Thank you, Steve.

21 STEVE: You'll have to unlock it, Mike.

22 JEFF GORDON: Oh, thank you.

23 STEVE: There we go.

24 JEFF GORDON: Oh, yeah, what a car. Oh, we  
25 better buckle up.



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1 STEVE: Yeah, good call.  
2 Power -- power door locks, standard of  
3 course.  
4 You are liable for any damages to the  
5 vehicle, so please stop the car and sloe -- or at  
6 least slow down.  
7 Slow down. Slow down. You can't go through  
8 that gate, Mike. Stop! Stop! Don't go through --  
9 stop, stop, stop, stop. Oh (bleeped). Watch it.  
10 Watch out. You're gonna wreck this car, and you're  
11 liable for it if you wreck it.  
12 JEFF GORDON: Whoo!  
13 STEVE: Mike, stop the car. Stop this  
14 (bleeped) car right now.  
15 Aah! Oh, my God.  
16 (Screams).  
17 JEFF GORDON: Whoo!  
18 STEVE: Take us back. Just take us back.  
19 JEFF GORDON: You all right over there,  
20 Steve?  
21 STEVE: Oh, you're an idiot. I'm gonna kill  
22 you. Oh, stop, stop, stop. Oh, God almighty.  
23 (Bleeped). Oh, God. I'm going to throw up.  
24 (Inaudible).  
25 JEFF GORDON: Whoo! Yeah!

1 STEVE: (Inaudible). (Bleeped). Who do you  
2 think you are?

3 JEFF GORDON: What do you mean?

4 STEVE: I'm calling the cops.

5 JEFF GORDON: No, no, you don't understand.  
6 It's not what you think. It's not what you think.

7 STEVE: I'm calling the cops.

8 JEFF GORDON: No, it's just a prank. We was  
9 just having fun. Look this is a camera. Here's the  
10 camera, there's cameras. Look, it was all just fun.  
11 Look, I'm Jeff Gordon.

12 (Video paused.)

13 MIKE SCHREINER: Now, the interesting thing  
14 is you got to listen to what he says. Once the guy  
15 realized who it was, this is awesome.

16 JEFF GORDON: Sorry, man. Sorry.

17 STEVE: (Inaudible).

18 (End of video.)

19 (Laughter.)

20 MIKE SCHREINER: So once he realized who it  
21 was, he was like, man, let's do it again. And it's  
22 funny, because if you listen to the audio of it, the  
23 whole time, Jeff Gordon is driving, and he just, whew  
24 (inaudible) right, just having a good time, and that  
25 guy's losing his mind. Jeff knows who he can -- what

1 he can do. That other guy has no idea who he is, and  
2 he's like, what in the world. But it makes me think,  
3 a lot of times, we're handing the keys of our  
4 financial success over to somebody else that's driving  
5 the car.

6 Now, here's an interesting thing about this.  
7 Jeff Gordon and Pepsi didn't -- Jeff didn't make a ton  
8 of money on it. Do you know what I mean? (Inaudible)  
9 but there was a video blogger and a newspaper writer  
10 that went after Jeff and Pepsi. Again, like I said,  
11 guys, dogs do not chase parked cars, right? So Jeff  
12 is just hugely famous. Everybody knows who he is. So  
13 this newspaper guy went after -- he's a blogger. He's  
14 a newspaper writer. He went after Jeff and Pepsi  
15 saying that's bull crap. That guy should have known.  
16 They would have known that it was Jeff Gordon. So he  
17 called him out on it, he just slammed him. He went  
18 after him on the media. He did it on -- on all the  
19 social outlets, everything, just slamming Jeff Gordon  
20 and Pepsi. So they set up a sting for this guy. So  
21 Pepsi had a company reach out to this video blogger  
22 saying, hey, we love your article, we'd love to meet  
23 with you and look at a position for you to write or  
24 our paper. So they flew him out at a hotel, and they  
25 said, hey, we're going to send a taxi driver over to



1 pick you up. Guess who the taxi driver was?

2 AUDIENCE: Jeff Gordon.

3 MIKE SCHREINER: Yeah, and you can YouTube  
4 it and look at it. It's hilarious. So Jeff's dressed  
5 up again, right? He's got the fake beard on and a  
6 hat. Anyway, they're taking off down the road, and as  
7 they're driving through the road, of course, they pull  
8 onto a closed corner, a circuit, right, training, just  
9 like they did here. Anyway, a cop lights him up and  
10 pulls him over.

11 So Jeff's sitting in the front seat as the  
12 driver of this car, and he starts wiggling out. He's  
13 yelling at this guy in the back, and he says, I can't  
14 go back to prison, I cannot go back in chill. And the  
15 guy's like, wait, maybe it's not a big deal, maybe  
16 it's (inaudible) and Jeff's, like, I can't do it. He  
17 drops the car in drive and just floors it and takes  
18 off. The guy in the backseat now is losing his mind.  
19 He's, like, pull over, let me out.

20 So Jeff's flying down the road. This guy is  
21 losing his mind, pulls into a big warehouse that's got  
22 Pepsi all over. Jeff gets out and takes off the  
23 beard, and the guy's like, all right, it wasn't real.  
24 But it made me laugh. I mean, just -- even something  
25 like that, you just (inaudible).

1           So I'm just telling you that again, guys.  
2           You got to pay attention when it comes to your own  
3           business. But who are we letting drive our financial  
4           success, right? Are we giving the keys to people that  
5           don't know what they're doing and we're hoping they  
6           can figure it out, or are we taking control? So one  
7           of the things I want to talk about, now that you guys  
8           have come back from lunch, how many of you had some  
9           success with either credit cards or CreditNav over  
10          lunch by a show of hands? How many of you at least  
11          got onto CreditNav or called a credit card company?

12           AUDIENCE: Yes.

13           MIKE SCHREINER: Guys, the fact that you  
14          took action, that is success. Now, there is another  
15          (inaudible) if you're not going to do it, we can't  
16          help you. We can't do it for you. You want it, you  
17          got to get it. Make sense?

18           AUDIENCE: Yeah.

19           MIKE SCHREINER: There is another part,  
20          though, I do want to talk with you about (inaudible).  
21          It's a whole separate credit card, business-credit  
22          credit cards. Now, business-credit credit cards are  
23          going to give you much higher limits, but with higher  
24          limits also comes higher what?

25           AUDIENCE: (Inaudible).

1           MIKE SCHREINER: Interest. And, again, we  
2     don't care about the interest. I'll show you tomorrow  
3     how we don't pay interest on those cards. But when it  
4     comes to business cards, we need to build both lines  
5     of business. We need to build our personal credit  
6     line, but we also want to start building our business  
7     credit line. There's a process to all of it.

8           So when it comes to business-credit credit  
9     cards, when you call the call and get these business  
10    credit cards, they're going to ask you four questions  
11    for business credit cards. It's a whole different  
12    game. The first question they're going to ask you  
13    when it comes to business cards is what is your  
14    business. Guys, what's our business?

15          AUDIENCE: E-commerce.

16          MIKE SCHREINER: E-commerce. Not Amazon.  
17    You're not Amazon. You're not eBay. E-commerce.

18          The second question they're going to ask you  
19    is do you have an entity, meaning do you have an LLC,  
20    an S Corp, a C Corp, an LPE, an SP, whatever. Now, if  
21    you have an entity right now but it has (inaudible).

22          AUDIENCE: (Inaudible).

23          MIKE SCHREINER: EIN number, right? A tax  
24    ID number. If you don't have an entity, you still  
25    would be an entity. You would be considered a sole

1 proprietor, right, DBAs. As a sole proprietor, what  
2 number do you give them?

3 AUDIENCE: Social.

4 MIKE SCHREINER: Social security. Now, sole  
5 proprietors are great places to start, but Sunday  
6 we'll talk about why you don't want to stay as a sole  
7 proprietor. Then they're going to ask you how long  
8 have you been in business. I do not recommend saying,  
9 well, I went to a training this weekend.

10 (Laughter.)

11 MIKE SCHREINER: What I say is -- is what my  
12 attorneys and my CPAs tell me, is it's based off of  
13 intent, meaning when did you intend to do e-commerce.  
14 For us, the first time I bought something online, I  
15 was, like, man, that was easy (inaudible). Okay, so  
16 it's based off of intent.

17 And then the final question these guys are  
18 going to ask you is how much money you plan on making  
19 this year in business. Now, this is completely  
20 different than personal. Personal they want to know  
21 how much household money is coming in, right? Now,  
22 you all understand when they ask you what's your  
23 household income, they want to know all the money  
24 coming in. So if both of you guys work, if there's  
25 two spouse incomes coming in, both of that counts.

1 But business is always done in projections.

2 So if they asked you how much money do you plan on  
3 making this year, what would some of your answers be?

4 You've got to give a number.

5 AUDIENCE: Thirty-five.

6 MIKE SCHREINER: 35,000? 50,000?

7 AUDIENCE: A hundred.

8 MIKE SCHREINER: 100,000? (Inaudible)

9 impressed (inaudible).

10 (Laughter.)

11 MIKE SCHREINER: I'll tell you again, it's -  
12 - to this day, I tell them 75- to 85,000. And here's  
13 why. Number one, you have to remember who you're  
14 talking to. If you're talking to someone that works  
15 in this country, they're making minimum wage. Look,  
16 and, guys, you've got to remember, less than 6 percent  
17 of Americans make more than six figures a year. But  
18 in business, if you say you make more than six figures  
19 a year, I guess you have to be able to prove it.  
20 You've got to be able to prove that you do.

21 Look, for my business, I don't draw  
22 paychecks. I'm not W-2, W-4, I-9 (inaudible). So I  
23 don't have the paperwork to prove. And if I told them  
24 what we were really making, they wouldn't believe me  
25 anyway. I say 75- to 85,000. No red flags. I can

1 get my lines of credit.

2 See, after the first year of having either a  
3 BLOC, a business line of credit, or business-credit  
4 credit cards, they don't ask that question, because  
5 the only thing they're going to look at now is what  
6 did you do this last year, and they're going to  
7 project out for your next year. Make sense?

8 But those are the four questions, guys.  
9 They're going to ask you do you have an entity, what's  
10 your business, how long have you been a business, and  
11 how much money do you plan on making. I recommend all  
12 of you starting to go after the biggest lines of  
13 credit (inaudible). Look, my personal credit cards  
14 can fund my business. My business credit cards, of  
15 course, can fund my business because everything I do  
16 now, it's all business expenses. Any questions on  
17 that?

18 Good. All right. What's Nike's slogan?

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: Just do it. If that works  
21 for a multibillion-dollar-a-year company, will it work  
22 for our little companies? Yes or no?

23 AUDIENCE: Yes.

24 MIKE SCHREINER: Guys, just go out there and  
25 do what you've got to do. What I want to do now,

1     though, is I want to talk about our Amazon listings.  
2     Again, we've got to know the rules, play by their  
3     rules, but we want to play to win. So there are  
4     certain aspects of the Amazon stores and if your store  
5     is going to (inaudible) we need to know about.

6             So I'm going to talk more about the Amazon  
7     platform. So when it comes to (inaudible) listing, we  
8     got to know what the buy box is; we got to understand  
9     the title, product pricing. We got to know what the  
10    main photo is going to be, additional photo, lifestyle  
11    photo, those types of things, all the bullet points.  
12    Now, all of this stuff right here, until we do private  
13    label, we don't have to worry about it. Because if  
14    we're going to key in doing wholesale and liquidating,  
15    those types of things, we're already going to use an  
16    existing ASIN number. We're not creating any ASIN  
17    numbers. You guys know what an ASIN -- how many of  
18    you do not know what ASIN is?

19            Okay, so write this down in your notes.  
20    ASIN stands for Amazon-specific identification code.  
21    Every product in the world will have a UPC symbol on  
22    it, UPC code, yes? Amazon didn't think it was  
23    specific enough, so they created an ASIN number for  
24    all of their products. But, again, until Sunday, we  
25    don't have to worry about UPC codes, we don't have to

1 worry about UPC codes, we don't have to worry about  
2 ASINs because all we're going to do is key in on a  
3 product that already is established with an ASIN.

4 We've got to know who the other sellers are  
5 on Amazon. That as a seller is probably the most  
6 important thing. Because, like I said, I don't mind  
7 competing with five people. I don't want to compete  
8 with hundreds. I want to get a piece of that pie.

9 I'm not worried about competition because if there is  
10 no competition, we're not talking private label, I'm  
11 in the wrong category. Right? I want competition  
12 because I know that product (inaudible).

13 Then we got to figure out the sponsored  
14 items versus the -- the one pay-per-click items. See,  
15 McDonald's did something brilliant with their  
16 marketing. Every time people buy a hamburger, they  
17 would always ask one simple question. Anybody know  
18 what it was? Do you want fries with that, right?  
19 It's an add-on sell.

20 On Amazon, that same strategy applies. We  
21 can get organically marketed by Amazon but we're not  
22 having to pay for that advertising. And I'll show you  
23 how we do that as well. And then we'll talk about the  
24 customer question and answer and the ratings because  
25 the customer question and answers at the rating period



1 for us, as buyers and sellers, is hugely important.  
2 We just have to understand what all of these are. So  
3 let's talk about the buy box. How many of you do not  
4 know what the buy box is?

5 Okay, so the buy box on Amazon, that means  
6 you log on. Let's say you type in clippers, the first  
7 thing that comes up, that's the buy box. Do you see  
8 it? One-click buying, right? This is where Prime  
9 members shop. Because I asked you how many of you go  
10 past the first page, and only three hands went up.  
11 Right? Most of us are buying right on that first  
12 search. So this is what the buy box is. So, again,  
13 we only want to win our share of that buy box, but we  
14 have to figure out who our competition is as well.  
15 But this is where, like I said, 93 -- almost 94  
16 percent of all Prime buyers, this is where they shop.  
17 They're not going past page 1. They're doing that  
18 first page and they're buying that buy box, and once  
19 they buy, free shipping guaranteed.

20 This is the title description. Now, again,  
21 I'm sorry, folks, I know my voice is kind of screechy  
22 here. I woke up this morning with a little bit of a  
23 scratch, so I apologize.

24 This right here, unless we're doing a  
25 private label product, we don't have to worry about

1     it. When we're keying into an ASIN, the manufacturers  
2     are going to have a description on there. They'll  
3     have the bullet points; they're going to have all that  
4     information. When we develop a product line, then we  
5     have to worry about that stuff.

6             But other times, everything we're talking  
7     about today and tomorrow, we don't have to worry about  
8     creating those things, until we get into private  
9     label.

10            When it comes to the photo, like I said, the  
11     main photo, always has to be minimum 1,000 pixels,  
12     white background. It's not a question, guys. Number  
13     one, it's got to be zoomable. And I know there's  
14     software out there that you can take a picture on a  
15     darker background and then lighten it up, but it's not  
16     the high pixels. If it doesn't meet that standard,  
17     Amazon will not support your listing, meaning your  
18     listing will never go live. Okay, so it's not a  
19     question.

20            Now, you can add lifestyle photos, right?  
21     We want to show what it can do. You can also add  
22     videos. How many of you by a show of hands have  
23     looked on a product line and you've seen the video  
24     attached to it? Guys, because those of you that watch  
25     Shark Tank, they always stay with the product lines,

1 the hardest part about this product is what?  
2 Educating the consumer of what it does, right? So  
3 when they're always going out there and (inaudible)  
4 stores, you can't educate the consumers of brick-and-  
5 mortar stores. With Amazon, you can.

6 In fact, my 12-year-old loves model  
7 airplanes. He loves flying those (inaudible). Well,  
8 he just picked up another one. Now, the model  
9 airplane that he just picked up last summer was  
10 actually more expensive than about 70 percent of the  
11 ones online. The reason he bought that one is they  
12 had a video showing exactly how the controller worked,  
13 what you want to look for, and just an educational  
14 video (inaudible). He was good with paying more for  
15 it because he knew exactly how to do it before he even  
16 opened the box.

17 So if you have a product like this, you're  
18 not going to include a video. Okay, so you  
19 (inaudible). Right? But if you've got something  
20 where you have to educate people on how to use it,  
21 even if you can go to another ASIN, they don't have a  
22 video, you can add a video to your store to educate  
23 people on what it does. So videos are awesome.  
24 Lifestyle photos are awesome. We want to show people  
25 how we actually use the product.

1           When it comes to the bullet points, you want  
2   to keep it simple. You're not telling a story; you're  
3   not writing a novel. If you have a listing that's  
4   already out there, which 99 percent of you (inaudible)  
5   next two days, that's exactly what you're doing,  
6   you're already keying into an ASIN number. If you  
7   read those bullet points and you want to add  
8   something, you can always add it in your store  
9   (inaudible).

10           But more times than not, guys, you just want  
11   to keep it simple. When it comes to this business, we  
12   always refer to this, right? Keep it simple, stupid,  
13   right? So that's what we want to do is keep it simple  
14   when it comes to the bullet points (inaudible) explain  
15   what the product does. Now, this right here, out of  
16   (inaudible) is one of the most important things you've  
17   got to learn to key in on.

18           This one right here, what does it say?  
19   Other sellers on Amazon. This is how we figure out  
20   what our competition is. Now, here's the rule on  
21   Amazon for winning the buy box. To win the buy box or  
22   your share of the buy box, you have to fit these three  
23   things. Number one, it has to be new. Number two,  
24   you have to do Prime. And number three, you have to  
25   do it in 2 percent of the buy box price.

1           If you're not within 2 percent of that buy  
2 box price, here's the thing, Amazon will not let their  
3 site turn into an eBay. So you may have got a  
4 screaming deal on a buy, but you can't sell -- if this  
5 one in the buy box is 9.97, right? I can't now list  
6 my product for 8 bucks and take (inaudible) 100  
7 percent of the buy box because I'm cheating. They are  
8 not going to let it turn into that kind of site.  
9 They're not going to let it turn into a bidding war.  
10 You have to do it to 2 percent of the buy box price  
11 for what it is right now.

12           Now, the buy box price, they'll always show  
13 two sides, right? They'll say this was this and now  
14 it's this. You all understand, that's just a sales  
15 technique, yes? Okay, because it -- it works, too.  
16 It's effective, right? Hey, this used to sell for 20  
17 bucks; it's now going to sell for 14 and a half, even  
18 though 14 is the buy box (inaudible).

19           But you got to be new, you got to be Prime,  
20 and you have to be within 2 percent of the buy box  
21 buying price.

22           AUDIENCE: (Inaudible).

23           MIKE SCHREINER: Say again?

24           AUDIENCE: (Inaudible).

25           MIKE SCHREINER: Yeah, so Amazon really does

1 -- and here's the thing, sometimes nobody wins the buy  
2 box. See, number one, if you're FBM, you will not win  
3 the buy box. You have to be FBA, right? Because the  
4 FBA, that's where we're Prime. Okay, if you're not  
5 FBA, if you're FBM, you're not going to be Prime. So  
6 you have to be Prime and you have to be new. But 2  
7 percent of the buy box, sometimes in Amazon  
8 (inaudible) test that I put up here, too, some of the  
9 product lines (inaudible) won the buy box. And the  
10 reason is if Amazon thinks it's too expensive, they  
11 won't let anybody in.

12 So -- and this starts to be more important  
13 when we talk about private labeling, but you're going  
14 to only sell what the market will bear on that price.  
15 You understand that, right?

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: So they know what else is  
18 selling for it out there. So we just got to get  
19 within their buy box pricing. So, yeah, we'll see --  
20 and this time we know what the buy box is. It's what  
21 it is (inaudible) sell. Once you click on the other  
22 sellers -- yeah?

23 AUDIENCE: (Inaudible).

24 MIKE SCHREINER: Yeah, you'll change it when  
25 you list it. Yeah. In fact, there's a (inaudible)

1 that you can tap in where you -- where you can add it  
2 in and it's actually a competitive market tool. So  
3 it'll change. As the buy box may fluctuate, your  
4 price is going to change (inaudible). So as long as  
5 I'm within 2 percent of the buy box, I'll get my share  
6 of that buy box. So why would I go cheaper? So if  
7 the buy box is 9.97, I -- there's no reason I would go  
8 2 percent below 9.97, because that just cuts my bottom  
9 line. It doesn't make sense because it doesn't mean  
10 I'm going to win that buy box (inaudible).

11 Amazon does a rotating share, and here's  
12 why. If I'm new, I'm Prime and I'm doing FBA, and I'm  
13 within 2 percent of the buy box, if Amazon never lets  
14 me win the buy box and I'm sharing with two to three,  
15 five other people, what do you think I'm going to do?  
16 I'm going to quit selling, right?

17 So they understand that. They want to make  
18 it a very level playing field. But there's two rules  
19 to this, guys. Number one, if Amazon is the seller  
20 right now, you won't be. Because right now, you  
21 cannot compete against Amazon. You can't compete  
22 against their buying power, and you don't have the  
23 background to support why they share their buy boxes.

24 Can you win the buy box with Amazon, yes or  
25 no?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: What do you all think?

3 Yeah, you can. But for right now, you won't. Okay?

4 The other side of that, if the manufacturer is the

5 only seller, you will not. Okay? But other than

6 that, guys, as long as we're within those three

7 things, we're good.

8 AUDIENCE: Now, when you say share of the

9 buy box (inaudible).

10 MIKE SCHREINER: Correct.

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: So we base this off of

13 (inaudible) monthly sales, because right now Amazon

14 doesn't tell us exactly how they do it. I don't know

15 if it's every one, every other one, three, two, three,

16 I don't know how they rotate it. But I know I can

17 base it on my share. So I'll show you how we run the

18 numbers to know what that is, but we have to know who

19 the other sellers are. In fact, has anyone ever

20 clicked on other sellers for Amazon? Does anyone ever

21 clicked on that box? So when you click on that and

22 you see what pulls up, so it shows us all the other

23 sellers. But, again, would you like (inaudible) click

24 it. We got to click new and we have to click Prime,

25 but you also have to be what?



1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Two percent of the buy box.

3 So if you look at this, it tells you, other sellers on  
4 Amazon is 42. But when you actually click on that,  
5 how much real competition is there? There's only one  
6 other, right, because no one else -- all these other  
7 sellers are not within 2 percent of the buy box,  
8 meaning they're not winning the buy box.

9 Now, here's an interesting thing to think  
10 about. Why do you think all these other sellers --  
11 because they're not going to win the buy box, meaning  
12 they're not selling any of these products.

13 AUDIENCE: Right.

14 MIKE SCHREINER: Why do you think they're  
15 still where they're at price-wise?

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: No, look, if you -- well,  
18 you're right, none of these are Prime, so they're all  
19 FBM, but why do you think they're not even priced  
20 (inaudible)?

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: They have no idea what  
23 they're doing, number one. What if they watched  
24 YouTube on how to sell on Amazon? Right, those guys  
25 don't know (inaudible). But the biggest thing here is

1 they have no idea that they need to be within 2  
2 percent. If they did, they would change their  
3 pricing.

4 But here's the biggest reason I know, it's  
5 just uneducation. Who's the number one seller?

6 AUDIENCE: Amazon.

7 MIKE SCHREINER: Amazon. We can't compete  
8 with Amazon. We can't compete with their buying  
9 power. We're buying stuff by the pallet order.  
10 They're buying stuff by the boatload. So they  
11 control. Now, you can win the share of the buy box,  
12 but right now, you won't. If we do -- in fact, one of  
13 my really good friends, Lisa, she beats them all the  
14 time. But, again it just -- right now, don't plan on  
15 it.

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: Yeah, we as --

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: Oh, there are many times  
20 you're going to be up against Amazon. But as long as  
21 I have the back (inaudible), right, meaning the  
22 history. So there's two ways to validate the store.  
23 They have sales; and they have to have (inaudible)  
24 reviews. (Inaudible) no way Amazon's getting  
25 (inaudible). And if I'm not FBA, there's no way

1     they'll share the buy box. So why do you think Amazon  
2     would eventually share the buy box?

3             AUDIENCE: (Inaudible).

4             MIKE SCHREINER: Yeah, same thing. Again,  
5     if I'm never winning and that's what I'm (inaudible)  
6     at and I know what I'm doing, do you think I'm going  
7     to get 2 percent of the buy box? I'm new and I'm  
8     Prime, right? (Inaudible) standard? If they never  
9     let me win the buy box, I'm going to pull out. But I  
10    have to fit (inaudible) and you have to have sales,  
11    have to have reviews.

12            AUDIENCE: (Inaudible) never notified or  
13    they can't see that, that they're -- they're selling  
14    way too much?

15            MIKE SCHREINER: They have no idea. That's  
16    the thing, guys, 95 percent of people selling online  
17    have no idea what they're doing.

18            AUDIENCE: (Inaudible).

19            MIKE SCHREINER: They have no idea that they  
20    should be within 2 percent. I mean, how would that be  
21    for you guys, taking advice from the wrong people,  
22    thinking you just did something right, and you list  
23    the product right, you dumped 10 grand into a product  
24    line, buying these clippers thinking you're going to  
25    tear it up but you can't make one sale.

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Correct. Yeah.

3 AUDIENCE: (Inaudible).

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Right now, if Amazon's the  
6 seller right now, you will not, because you don't have  
7 the history.

8 AUDIENCE: (Inaudible).

9 MIKE SCHREINER: Correct, because you're  
10 going to win the buy box, meaning as soon as they log  
11 on and they type in clippers, you're right there.  
12 Yep, that's why we want to win our share of the buy  
13 box. Look, I'll run it down with you, even more so  
14 tomorrow, but I'll show you some examples today so we  
15 can figure out really what my share is, because just  
16 because (inaudible) selling 10-, 20,000 a month, would  
17 that mean I will? No, so I need to know what my share  
18 of that buy box is. That's how I base my numbers.

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: Oh, yeah. Oh, yeah. Guys,  
21 this is a science. If you're guessing with your  
22 money, you might as well just put it in a pile in your  
23 living room and light it on fire and dance around. I  
24 mean, have some fun if you're going to waste your  
25 money, right?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Say again.

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: If you're not doing it  
5 right, yeah. You'll be down here with everybody else.

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Yeah, if you're doing it  
8 right, then you'll be on the page still, and you're  
9 going to be right at the top. And I'll show you some  
10 examples where people get it, but that's the  
11 difference, educated versus uneducated. But most  
12 people have no idea.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Correct. Most  
15 manufacturers, though -- so she was saying that  
16 sometimes manufacturers will be our competitors. Do  
17 you think manufacturers want us to take a share in  
18 their sells, yes or no?

19 AUDIENCE: Yes.

20 MIKE SCHREINER: Yeah, absolutely, because  
21 they're under the same mindset. They'll take 10  
22 percent of a million sells versus 100 percent of 50 or  
23 100 sells. So they know the volume. They want other  
24 people promoting their product as well, because if  
25 we're selling it on Amazon, can you sell it on your

1 other platforms as well? Yes or no?

2 AUDIENCE: Yes.

3 MIKE SCHREINER: Yeah. So they understand  
4 that they get more people doing it -- the work for  
5 them, but right now, if they're the only seller,  
6 chances are it's a private labeled product. If the  
7 manufacturing (inaudible) is the only seller, then  
8 chances are they're not going to release that. And  
9 I'll show you guys how we create (inaudible).

10 AUDIENCE: Two or three people are then  
11 selling the same product.

12 MIKE SCHREINER: Yep.

13 AUDIENCE: And each guy has to be sure to --  
14 they're (inaudible)?

15 MIKE SCHREINER: Yes. They have to do that.  
16 That's, again, the difference between the educated and  
17 uneducated. Those that are uneducated -- because I've  
18 seen this, too, where they'll undercut, thinking that  
19 they're going to win, and they don't.

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: That's an Amazon thing.

22 AUDIENCE: (Inaudible).

23 MIKE SCHREINER: Correct. Yeah, so a new  
24 Prime, it would be 2 percent of the buy box. But,  
25 again, all of these other sellers just have no idea

1     what they're doing. Number one, I can tell because  
2     none of them are Prime. And, number two, they're  
3     trying to compete against Amazon and they're way  
4     overpriced. They're not even within the 2 percent  
5     range. But that's the biggest thing, they probably  
6     bought it wrong. That's why I said, Dave -- that's  
7     why I said the first thing this morning, guys, we make  
8     our money when we buy. You can't fix it on the back  
9     end.

10           AUDIENCE: (Inaudible) pricing for the buy  
11     box, is it established by Amazon --

12           MIKE SCHREINER: It is.

13           AUDIENCE: -- (inaudible) whatever Amazon --

14           MIKE SCHREINER: Whatever the buy box is,  
15     that's what we base our numbers on, because they're  
16     saying this is what we're supporting, this is what  
17     people want to click (inaudible).

18           AUDIENCE: Oh.

19           MIKE SCHREINER: Like I said, you'll see --  
20     and I'll show you an example today, too, where we did  
21     a deal on retail arbitrage, great deal on these pans,  
22     but nobody won the buy box, and the reason is because  
23     everybody was overpriced. Amazon looked at that and  
24     they were, like, oh, you guys are way overpriced, but  
25     will you be able to buy it anywhere else? We're not

1 giving anybody the buy box.

2 AUDIENCE: But does the buy box -- how much  
3 percentage (inaudible)?

4 MIKE SCHREINER: That's what we got to  
5 figure out. I'll show you how we run those numbers.

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Say it again.

8 AUDIENCE: (Inaudible) Amazon University --

9 MIKE SCHREINER: We're not Amazon  
10 University. Again, we just teach you how to use them  
11 and how to leverage (inaudible).

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: The only ones that do it  
14 like this.

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: No. No, not on a daily  
17 thing, but they'll do it based on what the market  
18 economies bear. Here's the things, guys. You have to  
19 understand, whether you know this or not, Amazon knows  
20 everything that's being sold. It's really almost  
21 scary, but this is their business. If they're not  
22 price-competitive with anybody else that's selling,  
23 what do you think is going to happen? They're losing  
24 their customers.

25 They're our customers as well, but everybody



1 thinks they're buying from whom? Amazon. So they  
2 know they've got to know everything that they know,  
3 what's being sold, where it's being sold, and how much  
4 is being sold. They stay competitive, but again,  
5 they're not going to let it turn into an eBay.  
6 They're not going to run any of their business into a  
7 bidding war. They won't let that happen.

8 This right here, how many of you have  
9 scrolled down and you've seen this, right? You've got  
10 the two lines right under the main heading, right?  
11 This right here, this is a sponsored site. This is a  
12 pay-per-click site. Now, has anyone done that, pay-  
13 per-click sites? Especially Google, right? Here's  
14 the problem, it doesn't give you what? Sales. It  
15 doesn't mean it's a conversion.

16 Every time somebody clicks on that, you're  
17 paying for it, whether they buy from you or not. And  
18 that's -- that's one of the things my wife and I  
19 found. When we were doing our own website, we did  
20 with Google -- we paid to put in keywords, right? So  
21 we were paying, every time people were clicking on our  
22 -- on our link, we weren't getting conversions, but we  
23 paid every time. Until we talk about private label,  
24 it doesn't make sense to be (inaudible). When we talk  
25 about wholesaling and liquidators, tomorrow when we

1 talk about retail arbitrage and online arbitrage  
2 today, there's no reason we should be paying to get  
3 marketing.

4 What we want to get now is on this one right  
5 here. This is the customers who bought this also  
6 bought. This is the "do you want fries with this."  
7 This is where Amazon now organically is marketing  
8 these products. So for me, just looking at these  
9 clippers, I know I was not the seller, I know I'm not  
10 going to compete with Amazon. But what if I could  
11 find a product line like these gloves that Amazon was  
12 not a seller on, where now I get marketed on Amazon's  
13 site?

14 AUDIENCE: Yeah.

15 MIKE SCHREINER: How many of you have bought  
16 products off a line that says -- people that bought  
17 this also bought this and you bought that same thing,  
18 yeah? Guys, it works, but we want to get on the  
19 organic side of it. We want to get marketed  
20 organically, not pay-per-click. On private label  
21 products is the only time pay-per-click makes sense,  
22 and it's short-term think. We'll talk about that on  
23 Sunday. All the other times, guys, it doesn't make  
24 sense. We want to get on the organic push, not the  
25 pay-per.

1 But this is where people are buying it,  
2 right? People who bought this also bought this. Most  
3 of the time people that buy it, this comes up  
4 automatically. People who bought this clipper also  
5 bought this garden set, which I need a garden set as  
6 well. That's a great idea. Make sense?

7 Any questions on these?

8 AUDIENCE: (Inaudible).

9 MIKE SCHREINER: It's just what people are  
10 doing. Now, here's an interesting thing, too, and  
11 we'll do a live search tomorrow, but how many of you  
12 have seen it that say "people who bought this also  
13 bought this"? So let's just talk about garden tools,  
14 right? They'll show garden tools, and then out in  
15 left field you'll see, oh, people who bought this also  
16 bought, I don't know, bathroom supplies. Have you  
17 guys seen that? So you think people that are shopping  
18 for clippers are also shopping for bathroom supplies  
19 at the same time?

20 AUDIENCE: Yes.

21 MIKE SCHREINER: I don't know -- I don't  
22 know people's buying patterns, but here's the thing I  
23 know with my family. My kids have access to Amazon  
24 but they're not allowed to purchase anything and make  
25 an order until my wife and I review what they're

1 buying. So they'll go in and load up a shopping cart,  
2 and then my wife or I will go in and see what they're  
3 wanting to get before we place an order. See, we'll  
4 order whatever my kids want because they have to pay  
5 for it, right? They're doing it with their business.  
6 But a lot of times, we'll have this eclectic order  
7 going in, all sorts of random stuff, because it's been  
8 built up over a couple of weeks, then we order them  
9 one time.

10 Guys, most households do the same thing,  
11 don't they? Right, they're waiting so they can get  
12 all the free shipping in, because if you don't get a  
13 certain dollar amount, it doesn't matter what you're  
14 ordering, you're getting all that stuff, right? So  
15 that's what they're doing, is they'll wait and build  
16 up. So we want to make sure when we're looking for  
17 products to key into this, we want products that are  
18 actually related to it. So I'll show you that  
19 tomorrow when we do a live search. We'll talk about  
20 spiring down. Just don't ever fall into the mindset  
21 of, oh, well, look, this one disappeared, so I'll just  
22 start selling this and then I'll get keyed into that.  
23 It doesn't work that way all the time.

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: Oh, yeah, Amazon tracks

1 everything.

2 AUDIENCE: Yeah.

3 MIKE SCHREINER: Here's the crazy thing.

4 And you don't think all of the outlets are tied  
5 together. How many of you that searched on something  
6 on Amazon and then you went into your Facebook or  
7 Instagram page and all of a sudden that product shows  
8 up in your page?

9 AUDIENCE: Oh, yeah. All the time.

10 MIKE SCHREINER: What the heck? They track  
11 -- everything's tied together, but they track  
12 everything. They know what your buying patterns are.  
13 But if they know people that are buying this are also  
14 buying these, I'm not going to compete with Amazon,  
15 but I'll find a way to get a push on Amazon's site.

16 They always do the reviews as well. Now,  
17 this is the interesting thing as well. I totally --  
18 as a seller, we don't always put a lot of stock into  
19 the ratings system, but here's the thing. This is  
20 9.97; this is 6.99. They're both good clippers  
21 (inaudible) right? They look like it anyway. This  
22 one's got three stars; this one's got four and a half  
23 stars. So even though there's a price difference,  
24 what's the first thing everybody thinks about that --  
25 that one that's cheap?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yeah, look at the stars,  
3 and we think it's going to be what kind of product?

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Cheap, right? So that's  
6 the thing. If we're buying clippers, we want  
7 something that everyone is happy with because we don't  
8 want the handles breaking all the time, versus  
9 something that, yeah, it's cheap but you get what you  
10 pay for. Now, this brings up something that I  
11 definitely want to point out, guys. Do not fall into  
12 the trap of selling cheap garbage on your websites.  
13 If you sell a lot of stuff that breaks, guess what  
14 that does to your store ranking.

15 AUDIENCE: (Inaudible).

16 MIKE SCHREINER: Oh, Amazon looks at that.  
17 If you're selling a lot of crap, they'll shut your  
18 store. In fact, my kids loved -- I don't know if you  
19 guys have ever seen these -- they used to buy these  
20 little spheres, they were like little balls, and they  
21 were helicopters, right, two blades on it, and it had  
22 a sensor in the bottom of it. So you'd turn it on and  
23 it would just float off your hand. So you could raise  
24 your hand up and down and it just kind of stayed right  
25 there, or you could push it to each other, so you

1 could throw it and it would fly to the next person,  
2 and they'd just kind of catch it and it would be that  
3 sensor to stay on your palm.

4 They were really cool, but they were very  
5 cheap. So my kids were buying them almost every month  
6 because they kept breaking. And, finally, Amazon  
7 stepped in because all the products -- because my kids  
8 looked, they'd play with it for one or two days and it  
9 would break. And it wasn't the fact that they were  
10 being mean to it; it's just it wouldn't come on, it  
11 wouldn't charge (inaudible) crap, right?

12 Two and a half months later I noticed their  
13 store was shut down. Guys, if you sell crap on  
14 Amazon, they're going to shut your store down because,  
15 again, everyone thinks they're buying from who?

16 AUDIENCE: Amazon.

17 MIKE SCHREINER: Amazon. And they're not  
18 going to get the history of them selling cheap  
19 garbage. They're not the dollar store, right? So  
20 they're not trying to sell that stuff. So I'm just  
21 telling you guys, look, here's the interesting thing  
22 when it comes to you picking a product line. Just  
23 treat people the way you want to be treated with your  
24 products. Will people pay good money for a good  
25 product, yes or no?

1 AUDIENCE: Yes.

2 MIKE SCHREINER: Oh, yeah, guys, they'll pay  
3 for it. So it's not about the cheapness; it's about  
4 the quality. Look, if you just do right by people,  
5 the money will come. And, oh, my gosh (inaudible)  
6 bless you. Knowing it, too, though (inaudible).

7 Okay, so, we do got to take those as the  
8 seller with a grain of salt, but we will get the  
9 comparisons all the time, just like all buyers do.  
10 Now, as a seller, these two lines that I've  
11 highlighted are by far the most important things.  
12 This is the ASIN number, so we have to track the  
13 ASINs. It's not enough just to say clippers. When we  
14 say clippers, we're not tracking the right product.  
15 We have to track it by ASIN.

16 The other one is right here. This is the  
17 BSR ranking. Does anybody know what BSR stands for?  
18 It shows it up there.

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: Best seller ranking. Now,  
21 this says number 20 in patio, lawn, and garden. So  
22 here's the thing about the BSR numbers. The only  
23 thing we care about is the main category. We do not  
24 care about all of the subcategories. And here's why.  
25 People that type in clippers, that's the main



1 category. If they're typing in gardening tools,  
2 shears, scissors, grass -- the more specific you make  
3 the search, of course, the lower the number is going  
4 to be. So is a low number at the BSR good, or is it a  
5 higher number that's good? How many of you say low  
6 number?

7 AUDIENCE: Low.

8 MIKE SCHREINER: How many of you say high  
9 number?

10 AUDIENCE: High.

11 MIKE SCHREINER: How many of you have no  
12 freaking idea, that's why you came?

13 (Laughter.)

14 MIKE SCHREINER: And it's like golf, guys.  
15 The low numbers are the best. Now, here's the thing  
16 I'll tell you. As a rule, anything under 100 BSR, way  
17 too much competition. Now, there's an exception to  
18 every rule because it always depends on really how  
19 much competition there is. But as a rule, guys, if  
20 we're less than 100 on the BSR numbers, there's going  
21 to be a ton of competition, because it's selling and  
22 counting profits. We want to be anywhere from 1,000  
23 to 20,000. Do you think there are some higher than  
24 20,000? Yes or no?

25 AUDIENCE: Yes.

1           MIKE SCHREINER: Yeah. Two weeks ago, my  
2 friend, Lisa, and she usually runs numbers for me, but  
3 she found one that was 14 million. 14 million BSR  
4 number, they probably sell one a year, right? It's  
5 just not a very fast-moving (inaudible). 20,000 to  
6 1,000 is where we want to be. Once you get less than  
7 100, you're going to have a ton of competition. Now,  
8 that's a rule. There's an exception to every rule.  
9 But it always is going to come down to really who our  
10 competition is and how much product is going to sell.

11           So just because this says number 20 in BSR,  
12 that doesn't tell us how many's selling a month, does  
13 it? So I'll show you how we use the BSR rate to  
14 figure out really how much product we're going to  
15 move.

16           AUDIENCE: What was the range you said  
17 again?

18           AUDIENCE: What was the range?

19           AUDIENCE: The number range.

20           MIKE SCHREINER: So 1,000 to 20,000 is the  
21 ranking we want to be. Anything above 20,000, it's  
22 just not moving enough. Usually anything less than  
23 100, there's just way too much competition.

24           AUDIENCE: So that number just represents  
25 how much (inaudible).

1           MIKE SCHREINER: It's just meaning that --  
2       so the lower the number --

3           AUDIENCE: (Inaudible).

4           MIKE SCHREINER: -- no. But that's why I  
5       said, all we want is the (inaudible).

6           AUDIENCE: (Inaudible).

7           MIKE SCHREINER: We don't care about the  
8       reviews right now. All we want to know is sales. So  
9       that's what the BSR number tells us, but I'll show you  
10      how we convert that number into really (inaudible).

11          AUDIENCE: (Inaudible).

12          MIKE SCHREINER: Lower is always better.  
13      But anything less than 100, more times than not, is  
14      (inaudible) competition. So if it's moving a lot of  
15      product, then (inaudible) a lot of people that have a  
16      (inaudible). And like I said, guys, I don't mind  
17      competing against five, ten people, but I don't want  
18      to compete against hundreds of people. So I'll show  
19      you how we figure that out and what the competition  
20      is.

21          AUDIENCE: So what is a good number  
22      (inaudible)?

23          MIKE SCHREINER: Twenty is a great number.  
24      Twenty is (inaudible). Yeah. And I'll show you.  
25      You'll start figuring out what's going to work for

1     you, but rule of thumb on this, 20,000 to 1,000 is  
2     where we want to be on the BSR.

3             All right, this right here, guys, this is  
4     the customer answer and question. How many of you  
5     have ever done a question to a website, right, asked a  
6     question? How many of you ever look at these? Okay,  
7     these are big for both the buyers and the sellers.  
8     Now, here's the thing, when it comes to questions,  
9     when it comes to complaints, as an owner, as a seller,  
10    we have 24 hours to reply to those guys. If you do  
11    not take care of your customer in 24 hours, Amazon  
12    will know it.

13            But what do you think that will do to your  
14    store ranking?

15            AUDIENCE: (Inaudible).

16            MIKE SCHREINER: It will kill it. See,  
17    every time you have -- if you have a bad store  
18    ranking, guys, Amazon is not going to let you win the  
19    buy box. Remember, they have built a company based on  
20    trust. People buy from Amazon because they're  
21    guaranteeing two-day shipping, they're guaranteeing  
22    you'll be taken care of, right?

23            In fact, I had a buddy of mine, he bought a  
24    bag of dog food on Amazon. Now, it was his bad, he  
25    actually ordered the wrong dog food. So he called and

1 says, look, it's my bad, let me know what I need to do  
2 to send this back, this is what I need. They said,  
3 what dog food do you want? He told them. Amazon just  
4 shipped it to him, no questions asked.

5 They will take care of their customer first.  
6 You are playing second fiddle when it comes to your  
7 customer (inaudible). So if there's a customer  
8 question or a customer complaint, you have 24 hours to  
9 respond. If you do not respond in 24 hours, it will  
10 affect your store ranking. I'll show you where we  
11 track those as well.

12 But this we've got to know, and this is  
13 actually a great place when you start talking private  
14 label. And I'll show you how we use this tomorrow to  
15 start finding identical (inaudible). This is the  
16 other one, which is the customer reviews. So this is  
17 where they're going to tell you the product was great  
18 or the product was horrible. In fact, we'll do a live  
19 search tomorrow, and I'll show you how we use the  
20 (inaudible) to figure out products, but I remember  
21 doing one with a class a couple weeks ago, probably  
22 about a month ago. We did one and we found luggage.

23 Well, there's a suitcase that people love,  
24 absolutely love. The problem was it was priced wrong.  
25 So one of the ladies in the review, she gave four and

1 a half stars. Her only complaint was the price. She  
2 said this is (inaudible). She goes, it works well, I  
3 travel a lot for work, it's a great bag, but it was so  
4 priced high, I prefer my Delsey (phonetic). You get  
5 somebody -- one of your customers marketing another  
6 brand on your site, you got to fix that quickly.

7 Now, here's the thing, do not again fall  
8 into the trap and say, hey, you go in and take out  
9 Delsey, I'll refund part of the purchase, right,  
10 because I guarantee you the next sentence that'll be  
11 listed by her will be like (inaudible) the guy called  
12 me and said if I said I don't prefer my Delsey, he  
13 would then give me a refund (inaudible). You got to  
14 take care of them first, and then you can always go  
15 back and say, hey, look, if you agree (inaudible) yes,  
16 will you please change your review. More times than  
17 not, they will.

18 Now, some people are going to be who they  
19 are, right? Haters are going to hate, right? So it  
20 doesn't always happen, but I'm just saying, we've got  
21 to take care of our people. But this is what we all  
22 are going to start looking at, and I'll show you how  
23 we can use this as well to start (inaudible) private  
24 label on Sunday.

25 All right, any questions on the Amazon site

1 (inaudible) looking for, yes or no?

2 AUDIENCE: How do you find that BSR number  
3 again?

4 MIKE SCHREINER: So it will be shown. So on  
5 the BSR, when you go through the product, you'll go  
6 all the way down. You'll see at the top of the  
7 heading, it'll say product description, and then it  
8 will list all of the stuff. It's not always in a gray  
9 box, but it's always going to be towards the bottom of  
10 the page. So that's where you find the ASIN number  
11 and that's where you find the BSR. All the rest of  
12 this stuff we're not really worried about. We only  
13 care about the ASIN and we only care about the BSR  
14 rate. Okay?

15 All right, so I'm going to teach you guys  
16 right now, start to finish, how to do -- the easiest  
17 way to get started, which is retail and online  
18 arbitrage. Tomorrow we'll talk more about  
19 wholesalers, liquidators, overstockers, and then on  
20 Sunday we'll go through private labeling.

21 But here's the thing with retail and online  
22 arbitrage, okay? This for a lot of you all, unless  
23 you're teaming up with Sellers Playbook, is going to  
24 be the safest place for you to start because you're  
25 not putting in these huge product orders or buying

1 onesies-twosies. So here's how this works on selling  
2 on Amazon. First thing you have to do, you've got to  
3 make sure, number one, you've got a buyer's account,  
4 meaning the account that you use to buy products with.  
5 Now you have to set up a seller's account. How many  
6 of you in here by a show of hands have a seller's  
7 account? So three, four, okay.

8 So I'm going to walk you through and show  
9 you how we have to set -- because if you want to sell  
10 on Amazon, guys, you got to have a seller's account.  
11 Okay? So I'll talk about that, and then on Sunday,  
12 we'll spend a little time talking about affiliate  
13 marketing. And I don't spend a lot of time on  
14 affiliate marketing, and here's why. Affiliate  
15 marketing is not duplicatable and it's not  
16 predictable. Okay? It is a good tool, but it's just  
17 not something we're going to make a ton of money on.

18 So when it comes to our seller's account,  
19 how to set up a seller's account, here's what you got  
20 to do. The first thing you got to decide if you're  
21 going to run your business as a business account or if  
22 you're going to set up as an individual account.  
23 Here's the thing. If you do it as an individual  
24 account, there's not a monthly fee, but you will pay a  
25 dollar for every product that you sell.



1           So let me ask you all this. How many of you  
2     in this room plan on selling more than 40 products --  
3     40 pieces of items -- every single month? Okay, if  
4     you plan on selling more than 40, you want to set up a  
5     business account. The reason I say that, the business  
6     account is \$39 a month. But you do not pay a dollar  
7     for every sell. So that's the thing. If you're going  
8     to do this as a business, guys, then set up a business  
9     account. It's 39 bucks a month, but if you set it up  
10    as an individual, that means every time you sell a  
11    product you're giving them a dollar. So the first  
12    month, you pay -- you sell more than 40 products  
13    (inaudible). Make sense? Okay.

14           When it comes to a business thing, here's  
15    the thing I'll tell you, guys. Keep it simple, but  
16    look at the big picture. This is what I mean. If  
17    you're going to name your store, do not think -- and,  
18    you know, I'm going to start right now with bathroom  
19    products, right? So you're, like, you know, I'll just  
20    call my storefront Bathroom Products Are Us. Then,  
21    down the road, say in a month, you're like, man, I got  
22    a screaming deal on a barbecue set. That means the  
23    people looking on your store are going to be, like,  
24    why am I buying a barbecue set from Bathroom Products  
25    Are Us? See what I'm saying?

1           So when you come up with a name for your  
2     store, keep it simple, but keep it (inaudible), right?  
3     So -- and you can name it whatever you want. Do not  
4     put your name in it, and do not put your entity name.  
5     Those are two different things. You will never see my  
6     name tied to any of my stores. Again, I don't want  
7     people to know it's me. I'm not going to put a target  
8     on my back.

9           Look, guys, one of the things you're going  
10    to find in business, we want to fly right under the  
11    radar, right? So you'll never see my entity name  
12    either. If I put my entity name, right, my LLC or my  
13    LLP or my GP or any of that stuff, well, then everyone  
14    can trace all of the sales right back to my accounts.  
15    So we want to keep it just kind of vague, but here is  
16    the thing about the name. You can pick any name you  
17    want. Amazon will do a quick search, they'll make you  
18    type it in and tell you if that name's available or  
19    not. But it's not the business name; that's  
20    completely separate. It's your store name.

21           AUDIENCE: (Inaudible).

22           MIKE SCHREINER: Kind of.

23           AUDIENCE: So you're not using the  
24    (inaudible) --

25           MIKE SCHREINER: No, Amazon.

1 AUDIENCE: -- (inaudible).

2 MIKE SCHREINER: If I do my entity name and  
3 that's where my bank account is set up, well, then,  
4 everyone can follow what my bank account's doing  
5 because they know what to look for.

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: See, nobody knows what  
8 entity owns that store. So it's just the store name.

9 AUDIENCE: Well, what does Amazon  
10 (inaudible)?

11 MIKE SCHREINER: I'll show you. So this is  
12 what will happen, guys. When you go and you want to  
13 set -- and this is going to be part of you guys'  
14 homework tonight, is to set up a seller's account,  
15 because we need to know the kind of hurdles that  
16 you're running into so we can help you pass that this  
17 weekend, right? So you got to get this going.

18 So the first thing we'll do is you're just  
19 going to go to Amazon.com. You're going to scroll all  
20 the way to the bottom of that main page. You're going  
21 to see this box. Right under there, it says, to make  
22 money with us, and you're going to click on that Sell  
23 on Amazon. When you click the Sell on Amazon, it's  
24 going to take you to this -- this slide right here.  
25 This site -- you're going to click right here, start

1 selling. So they're telling you right there, \$39 a  
2 month is the business account.

3 When you click on that start selling, the  
4 first thing they're going to do now is make you log in  
5 to your buyer's account. Does anybody in here not  
6 have a buyer's account? Do not? Okay, if you don't  
7 have a buyer's account -- we've seen -- Amazon does  
8 this kind of 50/50. Sometimes they'll make you set up  
9 a buyer's account. Sometimes they'll do it the same  
10 time you're setting up a seller's account. But they  
11 want it all set up because they want you to be a  
12 customer first. They're not going to let people just  
13 sell on their site that aren't buying from them. Does  
14 that make sense?

15 Okay, so, if you don't have one (inaudible)  
16 sometimes they just say, yep, you got to set that up  
17 first; some of them are just set up as you set up your  
18 seller's account. So you're going to click there. If  
19 you have a buyer's account, then you'll just log in.  
20 If you don't, they'll have you create one. Once you  
21 have that, then you're going to create your seller's  
22 account. So right here, you're just going to put your  
23 name, your email, create a password.

24 Now, I did a dummy account. The reason is,  
25 when I started doing these trainings every week, every

1 week that I did these, I was actually building --  
2 doing it live for the class. The problem was that  
3 Amazon kept seeing we were setting up these accounts  
4 and then taking them down (inaudible). So I did a  
5 dummy account, took slides of it, that way I can just  
6 show you.

7 So the account I'm going to show you guys is  
8 just one that we created just for the slide show.  
9 When you do it live, though, I'm going to show you  
10 exactly what you got to put in and what you're looking  
11 for to do it, but understand, the numbers and stuff  
12 that you see here is just a dummy account.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: You can use your regular  
15 email. You're going to go down the road set up a  
16 business (inaudible). But right now you just use your  
17 regular one. And they're going to tie your both buyer  
18 and seller account together, and you want them to, and  
19 you'll see why later. Once you do that, now it will  
20 take you in here. So this is the seller's account, so  
21 they're going to ask you for the business name. You  
22 have to have your cell phone with you. You have to  
23 have your credit card with you, and you have to have  
24 your tax information.

25 Now, why do you think they want your phone

1 number?

2 AUDIENCE: (Inaudible).

3 MIKE SCHREINER: Yep.

4 AUDIENCE: (Inaudible) stuff like that.

5 MIKE SCHREINER: Well, here's the thing,  
6 guys. Amazon verifies and validates every sell. Now,  
7 as a seller, I love the fact that they check  
8 everything, because here's why. I know now what my  
9 true competition is. I know now exactly how many  
10 sellers are on there because there's no shell  
11 companies allowed on Amazon. So you can't just create  
12 a fake account like you can on a lot of social media  
13 outlets, right?

14 On Amazon, they want to verify and validate  
15 everything. So there has to be a validation. They  
16 have to have a cell phone number. Now, this is just  
17 going to be your name. If you have an entity already  
18 and it's set up for this, then you can put your entity  
19 name in there. Now, if you don't, you have to put  
20 your name, but you can always change it to an entity  
21 after the fact. Nobody knows, your name's not tied to  
22 anything, but this is how you verify you are you.  
23 Okay?

24 So once you put your name in there, then  
25 they're going to ask you for your business name, which

1 is the display name, which is what your store name is  
2 going to be. So this is where you just put whatever  
3 you want. So the logistics of it is right there.  
4 They know your name or your entity. They know the  
5 store is going to be completely different. So if your  
6 entity -- let's just say you've got KNN Enterprises or  
7 KNN, LLC. You're not going to put your store name now  
8 because this display name is KNN, LLC. That doesn't  
9 make sense because now you just told everybody who you  
10 are and how to find you.

11 Remember, we own nothing, we just control it  
12 all. I don't want it ever tied to me. Amazon knows  
13 who I am, but they'll never unveil it to anybody else.  
14 Because if they lose their trust with sellers, how  
15 many people are going to want to sell on Amazon?  
16 Nobody, right? Okay. Then you have to put in -- if  
17 you have a website already, they'll put your website  
18 in there. If you don't have one yet, you can always  
19 add it down the road.

20 Now, more times than not, guys, you don't  
21 really need websites until you start getting into  
22 private label. Make sense?

23 AUDIENCE: Yes.

24 MIKE SCHREINER: Okay. Then you put in your  
25 cell phone number. Once you put in your cell phone

1 number, they're actually going to text you a passcode.  
2 You can't get past this page right here until you put  
3 in that verification code. Again, they have to verify  
4 that you are a person and you are you. Okay? Once  
5 you put in that code, now it opens up to here.  
6 They're going to ask you for your billing method, so  
7 this is where you're going to put your credit card in.  
8 Why are you giving Amazon your credit card?

9 AUDIENCE: For the (inaudible).

10 MIKE SCHREINER: \$39 a month they're going  
11 to charge. And it verifies that you're a real person  
12 or a real business. See, that's the funny thing.  
13 Some of you guys have been kicking against credit  
14 cards your whole lives, but if you don't have it,  
15 nobody validates you as a business owner. You got to  
16 have credit.

17 Okay, so that's what I've been harping on  
18 this morning. So if you put your card information in  
19 there, then you have to figure out your bank account  
20 information as well. You actually -- now, we've seen  
21 50/50 in this, too. Sometimes they require the  
22 information right up front; sometimes they don't. But  
23 they're going to want a scanned copy of the front and  
24 back of your driver's license and a scanned copy of  
25 your bank statement, because, again, they got to know



1 you are you. Now, they just got to know that your  
2 name is on the account somewhere.

3 Don't worry about this, guys. This is how  
4 you get paid if you direct deposit, right? So they  
5 just want to know where the money is going to go.  
6 But, again, they have to validate. Once you set up a  
7 business, you can always change that information and  
8 have it deposited into your business accounts. But  
9 right now, just put it in your account.

10 Now, when you send that information in, if  
11 you're worried about Amazon knowing what balance you  
12 have, any of that stuff, before you scan it in, you  
13 can go with a black marker and black that stuff out.  
14 Just don't black out the account number (inaudible)  
15 because that's what they're verifying that it's in  
16 your name, it's the bank account that you have.  
17 That's how they know where the money goes to, okay?

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: No. Nobody will know what  
20 this number is other than Amazon.

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: No. So for the buyer's --  
23 when people buy, they have to know who to contact  
24 (inaudible) store. That's -- that's not listed with  
25 this. It's a whole different number (inaudible).

1 Yeah, and you'll set that up later as well.

2           Once you set up that deposit method, then  
3 you'll click on the next part, and it takes you right  
4 to Sellers Central. Now, I know right now, guys, this  
5 looks a little daunting. In fact, some of you have  
6 your seller's account and you may have looked at this  
7 and, like, oh, my gosh, what did I just get myself  
8 into.

9           Here's the thing about Amazon. They have  
10 hundreds of video tutorials done by Amazon, very  
11 professionally, very (inaudible) done, to teach you  
12 how to use their platform. And here's the thing about  
13 their video. They do not teach you how to find  
14 wholesalers, liquidators; they don't teach you how to  
15 manage; they don't teach you how to compete; they  
16 don't teach you how to do your business. They just  
17 teach you how to utilize their platform.

18           So it's -- the tools are phenomenal. In  
19 fact, what you'll do is you're going to click on top  
20 here, where it says performance, right there where you  
21 see Seller University. Seller University, for you  
22 guys in this room, this is going to be your best  
23 friend. See, once you click on Seller University,  
24 they'll take you in here. You can decide -- if you're  
25 looking for certain subjects, you can click on those

1 subjects; it will list all the videos; and it will  
2 walk you through exactly how Amazon's platform works  
3 for those specific questions.

4 So anytime you have questions about the  
5 Amazon platform, this is the place you want to go.  
6 There's actually a search bar right up top there. You  
7 can actually type in a specific search. So let's say  
8 after this weekend you wake up Monday morning and  
9 you're like, oh, crap, what was the buy box again? So  
10 you can type in the buy box and they'll show you,  
11 okay, here's the buy box.

12 They don't tell you how to win the buy box,  
13 again, but they'll teach you, okay, here's what the  
14 buy box is, it's the one-click method, right? And it  
15 will give you the rules for it. That's what you have  
16 to figure out. That's why we're here. But they will  
17 show you what the buy box is and how to utilize that.

18 But all of these are on there. Again,  
19 there's hundreds of these videos, but it teaches you  
20 how to use their platform. Now, this right here, this  
21 is probably the most important thing as a seller to  
22 pay attention to. And, again, I did this with a dummy  
23 account. That's why there's a -- that's why there's a  
24 red mark there. But any time you see a red mark next  
25 to that flag, that means you either have a customer

1 issue, right, question or complaint, or a problem with  
2 a shipping issue. You have 24 hours to respond to  
3 those problems.

4 Now, let me ask you this. How many by a  
5 show of hands have ever emailed a question or a  
6 complaint off of Amazon? Okay, and those of you that  
7 did that, how many of you automatically got an email  
8 back saying your question is important to us, we will  
9 get back to you within 24 to 48 hours. You guys seen  
10 that? Yeah, that's an educated seller.

11 And here's why. Those of us that do this,  
12 guys, we use an auto-responding program. So anytime  
13 someone adds a question, right, asks a question, has a  
14 problem, anything, that auto-responder automatically  
15 sent out an email that said, look, your question, your  
16 problem, is important to us. We will get back to you  
17 in 24 to 48 hours. So what I've done now is, number  
18 one, I just bought myself time. Number two, I  
19 satisfied Amazon because I responded within 24 hours.  
20 And number three, now I can have (inaudible) me to get  
21 back to that person and take care of them.

22 Now, Amazon tracks shipping problems as  
23 well. If you're doing FBM and you keep screwing up on  
24 shipping, what do you think that's going to do to your  
25 score?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Yeah. If it's FBA and  
3 shipping gets screwed up, what will that do to your  
4 score?

5 AUDIENCE: Nothing.

6 MIKE SCHREINER: Amazon knows it's their  
7 bad. They will take the hit. That's what I love about  
8 Amazon. If they know it's their fault, they take care  
9 of it, so it won't affect your score. But we have to  
10 pay attention. So what I did when I first started is  
11 on my phone I set an alarm on my calendar twice a day  
12 that I check that -- my -- my site twice a day to make  
13 sure if there's any problems. Now, I still do it once  
14 a day. Every day I log on, knowing that they've  
15 already gotten the auto-responding email. Then I can  
16 find out what their question or problem is. If I can  
17 take care of it, I'll just take care of it quick. If  
18 I need to ask somebody else, then I have time to get  
19 them to deal with it so I don't have to.

20 Look, the (inaudible) my time freedom,  
21 right? I want to be there for my kids. So I didn't  
22 want to have to spend time all day dealing with that  
23 customer crap. That's why we do FBA. But that's what  
24 we've got to pay attention to, that right there.

25 Now, when you get in here, Amazon will tell

1     you how to track all the performances, okay? Those of  
2     you that love analytics and spreadsheets and numbers  
3     and all that crap that my wife loves -- for me it's  
4     not my passion, right? -- but for those of you guys  
5     that are, you're going to love the analytics that  
6     Amazon does. And (inaudible) of this, everything's  
7     zeroes again, this is a dummy account. But we've got  
8     to start watching our performance so it tells us what  
9     the (inaudible) are, how to track that stuff.

10           Over here, it gives us all of our sales  
11     summaries. So it tells us what our products are  
12     selling, how often they're selling, what our profit  
13     margins are by the sales rate. So Amazon tracks all  
14     that stuff for us as well.

15           Now, over here, when you click on Account  
16     Help, when you click on that Account Help, this will  
17     pull up. If any of these boxes are red -- is a red  
18     box ever a good sign, yes or no?

19           AUDIENCE: No.

20           MIKE SCHREINER: No. So if you got a red  
21     box, guys, you better fix it.

22           AUDIENCE: (Inaudible).

23           MIKE SCHREINER: So the --

24           AUDIENCE: (Inaudible).

25           MIKE SCHREINER: The reason we do it is

1 because I (inaudible) my wife does actually because  
2 she has an issue with that stuff. But it's easy for  
3 us to track it through (inaudible) than it is to read  
4 through all of this. Because we only pull out the  
5 important things that we want to track. So Amazon  
6 does tell you what they track.

7 So here is what they're telling you. In  
8 fact, when you scroll down to the bottom of this,  
9 you'll see here performance metrics. So they track it  
10 all out, so that's the problem is it's just a ton of  
11 information. There's a lot of stuff that I don't need  
12 to know for my business. They track a ton of stuff.

13 But what is important, when you guys click  
14 on the performance metrics and you scroll all the way  
15 down to the bottom, they tell you exactly what you  
16 need to be looking for. So that's the kind of stuff  
17 we track, right? So they'll tell you, number one, the  
18 order defect rate has to be less than 1 percent. And  
19 that's what I'm saying, guys. If you're selling a lot  
20 of crap and they keep showing up broken and they have  
21 to deal with all that broken stuff, they're going to  
22 close your store.

23 We can't even find those balls anymore  
24 because those two stores that were selling them got  
25 closed down because they were crap. They kept

1 breaking. And you look at their review, and, holy  
2 crap, everyone's saying this thing is the biggest  
3 piece of junk.

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Ooh, that's a good  
6 question. If Amazon closes your store, what do you  
7 think your chances are of opening up another store?

8 AUDIENCE: None.

9 MIKE SCHREINER: Not in your name. Right,  
10 because they know you've already got a track record.

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: Yeah. So that's what I'm  
13 saying, guys. That's why I told you, don't start  
14 trying to do retail arbitrage until Monday. Because I  
15 don't want you hurting yourself before you get  
16 started. But they also track -- so they track your  
17 pre-fulfillment cancel rate, meaning your (inaudible)  
18 you don't even have. They track your shipment rate.  
19 So they give you a variance. They say, late shipment  
20 rate, less than 4 percent. The reason is they  
21 understand.

22 Natural disasters happen, right? UPS may go  
23 on strike; FedEx may have issues. They understand  
24 that stuff happens, but you've got to be less than 4  
25 percent, because their whole trust factor is two-day



1 shipping. So, again, if there's a problem with  
2 shipping and it's Amazon's fault, that doesn't fall on  
3 you; it doesn't affect your score. They take the hit.

4 And then, finally, they track everything  
5 that you track, all categories, it's got to be bigger  
6 than 95 percent. You just got to know what your  
7 business is doing, and then making sure that you're  
8 taking care of the customers first, because that's  
9 Amazon's customer as well.

10 AUDIENCE: (Inaudible) separate charge  
11 (inaudible)?

12 MIKE SCHREINER: No. Nope. So here's the  
13 thing about the FBA, too, guys. You have to decide  
14 per product what you're going to do. I told you, my  
15 kids do -- my kids do retail arbitrage, right? None  
16 of my kids are old enough to even have their own  
17 store. So I have one store that everybody -- we can  
18 sell millions of products off one store. Chances of  
19 you being able to open up two and three stores, until  
20 you start dealing with private label, Amazon's not  
21 going to let you set up multiple stores.

22 Okay, so, like you guys heard Nikki say that  
23 she's in the process now of opening up her third  
24 store. It's because she's doing a lot of private  
25 label products. When you're doing not private label,

1 guys, Amazon doesn't like that because they're -- in  
2 their mind, they're thinking, what are you trying to  
3 hide. And when you're doing private label, it's a  
4 whole different game because you're building a product  
5 line. But when you're not, it's called a store. But  
6 my kids can list it on the score.

7 So my kids are doing onesie-twosies with  
8 retail arbitrage, they list it as FBM on the same  
9 store, even though my store is classified to do FBA.  
10 You can pick and choose per product line if you want  
11 to do FBM or FBA. But my store is set up to do FBA  
12 because you have to decide -- because there's a lot of  
13 different ways of letting -- Amazon letting me be an  
14 FBA provider, because if they're going to deal with  
15 me, I got to have that -- that track record. Make  
16 sense? Okay.

17 Any other questions on that?

18 AUDIENCE: Do you have to know what product  
19 you're doing or selling or have to be able to open  
20 that?

21 MIKE SCHREINER: No (inaudible). You're --  
22 you don't have to know -- so her question was do you  
23 have to know the products you want to do before you  
24 open. No. No. In fact, you're going to want to open  
25 the store quick because, again, they're going to base

1 it off of history how long you've had your store,  
2 right? And then they base everything off of sales and  
3 customer reviews.

4 We have to have reviews; we have to have  
5 sales. That's what validates this as a store. But  
6 you can set it up, guys. You can have the store open  
7 for months and never sell a product. It doesn't --  
8 that's not going to hurt you. It doesn't help any,  
9 but it's not going to hurt you.

10 AUDIENCE: If you had a separate store, is  
11 it all going to go back to the same original creation  
12 that (inaudible) account, or do you have to get a  
13 separate entity (inaudible)?

14 MIKE SCHREINER: If you're going to open up  
15 another store, the only reason you'd do that is  
16 because you're doing private label product line, so  
17 then you would have (inaudible) because it would be a  
18 whole separate store. You can't -- you're not going  
19 to open multiple stores off of one. That doesn't make  
20 sense.

21 I can sell hundreds of thousands of products  
22 on one store. They don't even have to be tied  
23 together, right? I could sell boating goods, I could  
24 sell lake products, I could sell sporting goods, I  
25 could sell bathroom stuff. I can sell anything I want

1 on my one store. But if I'm opening up a separate  
2 private label line and I'm doing a whole product line  
3 of private label product, then I'm going to want to  
4 open a (inaudible).

5 AUDIENCE: What if you just want to  
6 (inaudible) one product?

7 MIKE SCHREINER: You can do it off of  
8 (inaudible) but you don't have to.

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: No, no, no, no, no. And  
11 I'll show you some of (inaudible).

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: Okay, rate of what?

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: No.

16 AUDIENCE: (Inaudible).

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: Once you set it up as --  
19 oh, if you do individual and then you want to do  
20 business, yeah, you can. Yeah, but if you're going to  
21 do it, just set up the business in the first place  
22 because you -- then you have to go through and verify  
23 more information if you do an individual first and  
24 then convert it to a business than if you just do  
25 business in the first place.

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: No, no, no, no, no. The  
3 \$40 a month has nothing to do with (inaudible).

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: It has nothing to do with  
6 it. If you do individual, you pay \$1 per sale. If  
7 you do business, it's \$39 but you can sell as many  
8 products as you want. It has nothing to do with FBA  
9 or (inaudible).

10 AUDIENCE: If you do a private label, let's  
11 say (inaudible)?

12 MIKE SCHREINER: Yeah. So her question was  
13 if you're doing private label, that's one thing. Can  
14 you mix (inaudible) products with that private label  
15 that are not? Absolutely. And just like I said,  
16 guys, we'll talk more about that on Sunday. Don't get  
17 so caught up on that stuff. But here's the thing, you  
18 know, I'm only saying that you guys -- you -- you're  
19 not going to be able to open up -- Amazon won't let  
20 you open up multiple stores. The only reason that  
21 they will is if you're doing a private label line.

22 But we have private label stuff that's not  
23 being sold on a whole separate store; it's sold on my  
24 regular stores with all the other products, because  
25 I'm not trying to brand it something specific. So if

1     you're doing one or two different ones, you don't have  
2     to worry about -- I can sell as many private label  
3     products on my same store that I'm selling wholesale  
4     products, right? Because -- okay?

5             All right. And, then, this right here, the  
6     customer feedback. Here's the thing that Amazon  
7     tracks it in perpetuity. So you can see it even said,  
8     they'll give you 30 days, 90 days, 345 days, lifetime.  
9     So they track exactly what it is that you're doing and  
10    how you're taking care of your (inaudible). A lot of  
11    that, this last part here, came because of a lot of  
12    subscriptions that Amazon started doing. Have you  
13    guys seen those Amazon descriptions now on Amazon?  
14    Yes or no?

15            Any of you guys seen that? So if my wife  
16    and I buy protein shake on Amazon, right, the protein  
17    shake came through, and I said, if you want to buy  
18    this one time, it's \$32 a canister. If you buy six  
19    months' worth, it's going to be 31 or 30 per ounce  
20    right? You can buy a year's worth of \$25.

21            Well, how? Because we signed up for that  
22    year, which means every month it automatically bills  
23    us and then it sends us the profit. That alone is why  
24    they track us down, correct? But that strategy,  
25    subscription strategy, guys, that's what actually

1 saved the gym industry.

2 Because all these gyms came out -- out. And  
3 what happens is humans are funny, right? First of the  
4 year, we all make New Year's resolutions, and everyone  
5 goes to the gym in January and February. About --  
6 about the beginning to the middle of march it all  
7 drops off. My wife and I to go the gym all the time.  
8 Every January and February, we curse these people  
9 because we know by March they're gone.

10 Well, what happened is the gym industry was  
11 floundering until Gold's Gym came around. So they  
12 classified themselves just like everyone else as a  
13 private gym. You have to join the membership, but  
14 they made you put either a bank account or a credit  
15 card on file because every month you were paying that  
16 fee, whether you went to the gym or not.

17 What they found is people were not canceling  
18 their gym -- their memberships. Not that they were  
19 going to the gym past March, right, but people as a  
20 whole do not like to admit that they're giving up on  
21 themselves, right? They're not -- they don't want to  
22 throw in to say, yeah, I'm throwing in the towel, I'm  
23 a quitter, I just -- just canceled. So people pay  
24 every single month even though they didn't go.

25 Amazon started selling that way as well.

1 They started letting people do subscriptions where  
2 what they find is people use these products, they get  
3 shipped to them every single month. Make sense? So  
4 that's why they tracked that out in perpetuity because  
5 you got to make sure you're taking care of your  
6 customer. Just because they bought once, then they  
7 bought three years' worth of product, you better make  
8 sure you're still taking care of that person.

9 All right, any questions on the performance  
10 ratings?

11 And it kind of comes back to what I was  
12 saying, guys. If we're doing FBA, we're going to be  
13 fine. We just have to make sure that our customer is  
14 taken care of because Amazon now deals with all the  
15 customer support issues, all the shipping issues.  
16 They score the product, they ship the product, you  
17 don't have to worry about it. But on the other side  
18 of that is if you're doing FBM, you have to deal with  
19 the customer complaints. You have to deal with the  
20 shipping issues. You have to deal with it all.

21 AUDIENCE: So if you're FBA and there's a  
22 customer complaint, is Amazon going to come back to  
23 us, what happened with --

24 MIKE SCHREINER: So that's why we have the  
25 24 hours to take care of it. But if they call in with



1 a problem --

2 AUDIENCE: Are they going to call Amazon  
3 first?

4 MIKE SCHREINER: -- so they'll call Amazon  
5 first, generally. And Amazon, if it's something easy,  
6 Amazon will just take care of it. If it's a issue  
7 with the problem being broke in shipping, Amazon takes  
8 -- excuse me, Amazon takes care of it because they're  
9 responsible for shipping, right? But let's just say  
10 they bought the product a week ago, like we did with  
11 those stupid spinners that my kids were buying, right,  
12 and then it broke a week later. People were calling  
13 and complaining to Amazon. Well, Amazon was  
14 (inaudible) store.

15 So the store wasn't always taking care of  
16 it. We logged on. We -- we'd send a letter, this  
17 thing's broke in a month, and we're not hearing  
18 anything back? So 24 hours, Amazon got in touch  
19 (inaudible). And then they went after his store.  
20 After so many times they'd shut it down. But if  
21 people are calling in -- now, I don't want to have to  
22 worry about my phone ringing all the time. That's why  
23 I check my message board so I know once a month or  
24 once a day I just check and see, okay, so I need to  
25 have you guys get taken care of. Because if they call

1 in, then it doesn't necessarily (inaudible) tracking.  
2 Amazon will log, hey, these guys called in on your  
3 store, this was the issue.

4 Make sense? But that way, they're dealing  
5 with it, I don't have to. So it's kind of coming back  
6 to if you're going to do this as a business, guys,  
7 treat it as a business. Let Amazon deal with all the  
8 work. Why would you want to spend your time dealing  
9 with it?

10 Again, if I was doing FBM stuff, could I  
11 come out here, yes or no?

12 AUDIENCE: No.

13 MIKE SCHREINER: (Inaudible) I couldn't even  
14 spend -- there's -- I could -- I could barely spend a  
15 day away from my business because anytime somebody  
16 orders something, I got to make sure I get it shipped  
17 out quick, right? And I have to go with all the  
18 customer issues. So going over to Europe for two  
19 months, no way that's ever going to happen. So I --  
20 that's why I'm saying, guys, if you do this as a  
21 business, treat it as a business and let Amazon deal  
22 with all that crap so you don't have to.

23 AUDIENCE: (Inaudible).

24 MIKE SCHREINER: You can't.

25 AUDIENCE: You can't?

1 MIKE SCHREINER: No way.

2 AUDIENCE: (Inaudible) it's going to ship --

3 MIKE SCHREINER: And that's what I'm saying  
4 is you will never be Prime. You will never win the  
5 buy box, FBM right now, because you can't guarantee  
6 two-day shipping. That's Amazon's (inaudible). You  
7 can say it all day long (inaudible) that's great, but  
8 there's no way you can guarantee it, not doing FBM.  
9 There's just no way.

10 AUDIENCE: How do you advertise your  
11 shipping --

12 MIKE SCHREINER: You'll just deal with it.  
13 How many of you have bought something on Amazon that  
14 was -- and you may not know that it was FBM, but it  
15 said shipping, five to seven days.

16 AUDIENCE: Yeah.

17 AUDIENCE: (Inaudible).

18 MIKE SCHREINER: All right. So let's talk  
19 about retail arbitrage, guys. This is the fastest and  
20 easiest way to get started on selling on Amazon.  
21 Here's why. You're going to go shopping for sales.  
22 Now, when it comes to retail arbitrage, and I'll say  
23 this right now. If all you want to do is make a  
24 couple extra hundred bucks a month, stay with retail  
25 arbitrage. But if you want to start making 20,000-

1 plus a month, you got to move into wholesale and  
2 liquidating that we're going to talk more about  
3 tomorrow.

4           You want to make \$40-, \$50,000 a month, then  
5 you've got to move into private labeling. Okay, and  
6 retail arbitrage is a great place to start, the reason  
7 is the liability is on the floor. And here's what I  
8 mean by that. If the product doesn't sell, save your  
9 receipt, take it back to the store, get your money  
10 back. It's that easy. How many of you in here have  
11 no idea what retail and online arbitrage is? Okay, so  
12 all we're doing, guys, we're going to find these great  
13 deals. And we can go shopping at Walmart, Costco,  
14 Sam's Club, Target, right, Dollar General stores.  
15 We're looking for products that these stores are  
16 throwing out at huge rates because they're trying to  
17 unload that product line.

18           Now, I'll talk more about this tomorrow as  
19 well. When we talk about liquidators and  
20 overstockers, we don't want products that they  
21 wouldn't sell. We want products that a new model has  
22 come out and they're trying to unload their inventory  
23 so that we can get a good deal on the product that  
24 people (inaudible).

25           So Kohl's is infamous for this. They'll do

1 their end-cap sales, and they have screaming deals on  
2 these product lines because they can't sell it. If  
3 they can't -- if Kohl's can't sell it out of their  
4 store, what are our chances of selling it online?  
5 Right, it's not going to happen. What we're looking  
6 for is sales of discounted items, discontinued lines  
7 that people were buying like mad, but they've only got  
8 a couple left, so they're trying to get rid of that  
9 inventory so they put all the new models in. Make  
10 sense?

11 AUDIENCE: (Inaudible) start slowly?

12 MIKE SCHREINER: No, that's what retail  
13 arbitrage is, is we're just dealing with all these  
14 different stores. Here's the thing about retail  
15 arbitrage, guys. You're not going to build a  
16 relationship with Kohl's. Right? You're not going to  
17 be, like, hey, I'll tell you what, you give me your  
18 discounted items, I'm going to take it online and make  
19 a ton of money with it. They're going to be, like,  
20 what the hell. Right?

21 A lot of these guys really don't like us  
22 because that's what we're doing. We're taking their  
23 lines that they're selling to these huge discount  
24 stores and we're picking them up and we're selling  
25 them for what everyone else is selling for and we're

1 making profit on it. So, yeah, this is (inaudible)  
2 relationship with. We're just looking for the deals  
3 to get it going.

4 So let me show you an example. This is what  
5 we want to avoid, guys. You got to -- number one, you  
6 have to avoid products that are restricted,  
7 prohibited, and (inaudible). Number two, we look for  
8 -- oh, and gated. Those are ones that are going to be  
9 restricted.

10 Yes.

11 AUDIENCE: Gated?

12 MIKE SCHREINER: Gated. So categories get  
13 gated. Products are restricted. And I'll talk more  
14 about that in a bit, okay?

15 We look for clearance items, seasonal items.  
16 Now, here's my caveat about seasonal items. Can you  
17 make money with seasonal items, yes or no?

18 AUDIENCE: Yes.

19 MIKE SCHREINER: Yes, but you have to  
20 understand, it's going to sit. Last year, my wife and  
21 I found a retailer, they were selling LED rope  
22 Christmas lights. They were selling 120-foot  
23 stringers, and at the end of the season, they  
24 (inaudible) at the end of the year, they were throwing  
25 these suckers out for pennies on the dollar. We

1 bought as many as they would let us buy. But that is  
2 going to be dead inventory for eight to nine months,  
3 because right now, nobody is buying Christmas lights.  
4 So as good a deal as I got, nobody else is going to  
5 buy. So understand, you can do this with seasonal  
6 items, but understand, it's going to be dead  
7 inventory.

8 We do a lot of outdoor boating products as  
9 well, right? So, for me, I didn't know this when we  
10 first started. If I see a good deal on a wakeboard  
11 and it's one that I want, I buy it. Bindings, same  
12 thing. If I see a good board -- a good deal on, like,  
13 say, a wake surfboard, I buy it. But what I found is  
14 not everybody else does, right?

15 So we found in the spring and summer, those  
16 outdoor product sales are moving like mad, right?  
17 Paddleboards, kayaks, I mean, everybody's buying them.  
18 In the fall and the winter, it doesn't matter what the  
19 good deal is, nobody's buying then because they want  
20 to buy it and take it out and use it. So they'll pay  
21 more, but they're just waiting.

22 So those products go on sale all the time at  
23 the end of the season. So, again, we're picking them  
24 up for pennies, storing them for four months, six  
25 months, and then we'll start doing it as the season

1       kicks back in.

2               AUDIENCE: Are you storing them with Amazon?

3               MIKE SCHREINER: No, no. Yeah, you can't  
4       store them at Amazon. Here's the things, guys.  
5       Amazon is not a warehouse where you store your  
6       product. If it sits there for six months and it's not  
7       selling, they'll charge you. In fact, they'll  
8       generally let you know and say, like, hey, do you want  
9       us to destroy the product or do you want -- do you  
10      want to pay to ship it back to you because we're not  
11      storing it, that's not their job. Yeah, so we've got  
12      a warehouse where we store it.

13              Discontinued items. Again, you want to  
14      (inaudible) because they're discontinued because  
15      there's a new model that came out, not because they  
16      couldn't sell it, but that's why they discontinued it,  
17      or because they break all the time and that's why they  
18      discontinued it. We love case lot (inaudible).  
19      That's the thing, guys, don't get attached. The  
20      minute you get emotionally charged to a product,  
21      you're going to lose money.

22              I told you guys, it's an unemotional  
23      business. You can't get emotionally charged.  
24      (Inaudible).

25              AUDIENCE: (Inaudible).



1 MIKE SCHREINER: You love (inaudible) --

2 AUDIENCE: It's like those spinners that  
3 everyone was --

4 MIKE SCHREINER: Yeah, the fidget spinners.  
5 That's a fad.

6 AUDIENCE: Yeah.

7 MIKE SCHREINER: I told you that guy, Matt,  
8 he fell in love with it, his kids loved it, he's like,  
9 oh, we're going to make a ton of money. He can't --  
10 he can't give them away. So, again, we got to avoid  
11 the fad stuff, and we'll talk about that more so again  
12 tomorrow. But, again, it is all about the numbers,  
13 guys. It doesn't matter what you like or dislike.  
14 It's not about what I think. I sell a lot of products  
15 I couldn't care less about (inaudible) people buying  
16 them.

17 AUDIENCE: Are those case lots?

18 MIKE SCHREINER: Yeah, people with case --  
19 because they do enough (inaudible) they do case lots  
20 (inaudible).

21 AUDIENCE: What is case lots?

22 MIKE SCHREINER: Case lot sells?

23 AUDIENCE: Yeah.

24 MIKE SCHREINER: What is case lot sells?

25 AUDIENCE: Yeah, what are they?

1           MIKE SCHREINER: Oh, guys, they're blowing  
2 out in these huge quantities of products, but you have  
3 to buy a certain amount. You're buying a whole case  
4 of those products, right? So they may be unloading,  
5 let's just say, air dryer -- or air fryers. Have you  
6 guys seen those, right, the air fryers? They're  
7 awesome, but they may be like, look, this is our last  
8 case of them, we're going to sell it as a case. So  
9 they're, like, yeah, we're going to blow this out, but  
10 you got to buy the whole case (inaudible).

11           So here's a great example. In fact, this is  
12 one thing that we love to look for, are the princess  
13 dresses. How many of you in here have little girls?  
14 Yeah. How many of you know they can't just be one  
15 princess?

16           (Laughter.)

17           MIKE SCHREINER: Right? My little girl,  
18 man, when she was -- she is all girl, right? And she  
19 had to have -- she had to have the Sleeping Beauty,  
20 she had to have this one, she had to have all these  
21 different princess dresses, right? Now, what's funny  
22 is Disney will come out with new dresses every year,  
23 too, don't they? In fact, this has been brilliant  
24 because now they're releasing live-action princess  
25 movies, aren't they? Right, Sleeping Beauty just

1       recame out with live action, right? They're doing  
2       Snow White, they're doing all of these different ones.  
3       So, now, there's a whole resurgence of these dresses.  
4       But the dresses never go out of style.

5               Now, I have one girl and three boys. As my  
6       daughter outgrew those dresses, what do you think she  
7       did with those dresses?

8               AUDIENCE: (Inaudible).

9               MIKE SCHREINER: Nope. She dressed my boys  
10      up.

11              (Laughter.)

12              MIKE SCHREINER: Yeah, it was not a proud  
13      dad moment, right? My wife said (inaudible) she's  
14      going, like, oh, is that Caitlin's little friend? No,  
15      that's your son. I'm like, what? But they love them,  
16      don't they? And, again, you have to buy more than  
17      one, but they don't get outdated. These ones are  
18      great, too. We always look at the big sales with a  
19      minimum of 50 percent off marked prices. In fact, one  
20      of the places my daughter, now, she does retail  
21      arbitrage, she absolutely loves it, but she loves  
22      going to the goodwill stores. Do they sell new  
23      products at goodwill stores, yes or no?

24              AUDIENCE: Yes.

25              MIKE SCHREINER: Yes. Now, what she started

1 doing actually when she went to the high school, she  
2 would go looking for prom dresses, right? These  
3 people are spending 4- to 500 bucks on these prom  
4 dresses; they wear them one time; their daughters  
5 aren't wearing them again, and they donate them to  
6 Goodwill. So my daughter is going down there and she  
7 scans them, finds out what the dress is worth, she's  
8 paying 20, 30 bucks for these dresses, and then what  
9 she does is she started her own business renting prom  
10 dresses to all of the high schools around our area.  
11 Again, if I give my kids an allowance, they would not  
12 (inaudible) I teach them a business, they win no  
13 matter what. I love it.

14 Again, we look for these big-sales products,  
15 right? Again, same with those air fryers. So if I'm  
16 picking up two, three of these fryers, it doesn't make  
17 sense for me to do FBA. I'll do FBM all day long.

18 But, again, even with starting retail  
19 arbitrage, guys, we've got to be able to run our  
20 numbers --

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: -- at the store. So once  
23 you guys set up your seller's account, you're then  
24 going to download your seller app. On your phones,  
25 you can all download the seller's app. It's free to

1 download, but it will not open and operate until you  
2 set up your seller's account. So, here, this is what  
3 the app looks like. That's what it looks like. It's  
4 free to download. Now, the cool thing is once you  
5 open up the app, and I'm not going to let you guys see  
6 my score, but, there's a little camera up in the  
7 right-hand side. When you open up that camera, it's  
8 just a camera.

9           What you'll do now is every product has  
10 these UPC codes, right, so all you got to do is you'll  
11 scan that UPC code and it immediately -- oh, okay, so  
12 this is restricted. So Nestle Pure Life is not going  
13 to allow me to sell their water bottles on my Amazon  
14 store. But it will tell you immediately if it's  
15 restricted or what you can do with that product. So  
16 let me show you how this works. So you all -- this  
17 is, again, part of your homework, guys, to download  
18 that seller's app. But it will not open and operate  
19 until you set up your seller's account. Once you set  
20 up your seller's account, that will tie into it, but  
21 you can run your entire business from this app.

22           So here's how we do it or retail arbitrage.  
23 I'll show you what we did. So we did some of this.  
24 This one was actually found at a goodwill store. How  
25 many of you all have kids? How many of you have seen

1 the Cars movies? Right? If you have kids like mine,  
2 you've probably seen this one, what 26,000 times,  
3 right? This is from the second one. So there are two  
4 new characters, right? There's Nigel Beardsley, and  
5 what was the other guy? Aston Littleton, right? So  
6 this was found. Now, don't go based off of this,  
7 right? A lot of times they'll tell you it was 6.99;  
8 now it's 3.48. That doesn't necessarily mean that's  
9 what it's selling for on Amazon. You scan that in on  
10 that app, and this is what pulls up. So it gives you  
11 all of the number. It'll tell you if you're doing  
12 Amazon fulfilled, it tells you if you're doing self-  
13 fulfilled, where your profit is going to be. So if we  
14 do Amazon fulfilled, we make \$9.17. If we do -- oh,  
15 no, excuse me. This is self-fulfilled, \$9.17.  
16 Amazon-fulfilled, we're making \$6.15.

17 But what we do -- now, remember, too, the  
18 thing that this does not account for is shipping. So  
19 that's why this one is going to be less because you  
20 have to pay the Amazon fees, right? But this is them  
21 selling it. This is not including our shipping. So  
22 when we talk about shipping, we're talking \$3 to \$5 to  
23 ship this product to a customer because it still has  
24 to be boxed right, it's got to be packaged like it  
25 came from Amazon. Like I said, you can't just throw

1 this in a banana box and send it out because it's .  
2 retail arbitrage. It doesn't work that way. You  
3 still have to do it to their standard.

4 So this is what I mean. Don't fall into the  
5 trap thinking, oh, I'll just do it myself all the  
6 time, I'm going to make more money. It does not work  
7 that way. But if I'm only doing one or two of these  
8 products, it doesn't make sense to do FBA. I'll still  
9 spend the money and do it FBM because it doesn't make  
10 sense for me to send it to Amazon for two products.  
11 Okay?

12 Now, here's the thing I'll tell you about  
13 this. When you guys start doing this retail  
14 arbitrage, make sure you do not list the product until  
15 you buy the product. If you're doing FBA, your  
16 listing will not go live until Amazon gets your  
17 product in the warehouse. When you do FBM, the minute  
18 you list that product, it's live.

19 So Jessie, one of the owners of our company,  
20 her kids -- she believes the same thing I believe.  
21 Her kids have to do retail arbitrage. Her oldest son  
22 went to Target. They found nine products of a -- of a  
23 -- of a product that Target was blowing out. He  
24 scanned it on his phone, ran the numbers real quick,  
25 and he says, Mom, this is a great deal. So they put

1 all the product in their shopping cart, finished  
2 shopping. Before they even checked out of Target, two  
3 of them were sold.

4 So he went home from Target after buying  
5 those products, packaged them up and shipped them.  
6 Those two sells pretty much paid for the rest of the  
7 products. So like I said, \$9 doesn't excite me, but  
8 my kids love making \$9 on a sale. But the minute you  
9 do it, guys, because I've seen it with one of our  
10 students, they went out, did the retail arbitrage, and  
11 the kid's like, well, Dad, let's make sure that this  
12 sells. They listed the product, just walked around  
13 the store, they got a sell. They went back, somebody  
14 else already bought all of them. If you sell a  
15 product that you now can't fulfill, you just shot  
16 yourself in the foot because Amazon's (inaudible)  
17 listing something that you can't even get.

18 AUDIENCE: (Inaudible).

19 MIKE SCHREINER: No, but this is why I say  
20 for me, I use 12. Twelve or less, I follow FBM.  
21 Twelve or more, if we're doing 20 products, then we'll  
22 do FBA.

23 AUDIENCE: (Inaudible).

24 MIKE SCHREINER: Twenty pieces.

25 AUDIENCE: Twenty pieces of the same



1 product.

2 MIKE SCHREINER: Correct.

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: Yep. That's just me. You  
5 guys can do what you want. For us, it's 12.

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Because when I run my  
8 numbers, anything less than 12, it just doesn't make  
9 sense to send (inaudible).

10 AUDIENCE: (Inaudible)?

11 MIKE SCHREINER: No.

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: If you have regular --  
14 right so Amazon's got -- you still have to fit their  
15 shipping. So it has to be a plain brown or a plain  
16 white box, right? It still has to have the bubble  
17 wrapping and (inaudible) stuff, it has the pocket of  
18 all that stuff. So that's the -- the taping and  
19 everything, still has to be like Amazon. Now, you  
20 won't get a smile box. You can't buy smile boxes  
21 (inaudible).

22 AUDIENCE: (Inaudible) send it to Amazon and  
23 (inaudible).

24 MIKE SCHREINER: Yep. It will not go live  
25 until Amazon gets it.

1 AUDIENCE: And they will put it in a box,  
2 they will (inaudible) --

3 MIKE SCHREINER: Correct. Yeah, you still  
4 have to prep it for them.

5 AUDIENCE: Okay.

6 MIKE SCHREINER: So it has to have your  
7 ASIN. It has to have -- if it's a t-shirt, it's got  
8 to have the right bagging, it has to have --

9 AUDIENCE: Oh, okay.

10 MIKE SCHREINER: -- all that stuff.

11 AUDIENCE: Okay.

12 MIKE SCHREINER: But they'll -- they'll then  
13 package (inaudible) air bubble, you know, the wrapping  
14 and all of that. They'll box it and do all that for  
15 the customer. If you're doing FBM, then you have to  
16 do that.

17 AUDIENCE: (Inaudible) from the app or --

18 MIKE SCHREINER: Yes.

19 AUDIENCE: So --

20 MIKE SCHREINER: You have to get it to  
21 Amazon.

22 AUDIENCE: -- (inaudible) from Amazon? No?

23 MIKE SCHREINER: You have to pay to get it  
24 to Amazon.

25 AUDIENCE: And Amazon takes care of --

1           MIKE SCHREINER: Once it's at Amazon, they  
2     take it (inaudible) yeah. And I'll show you guys how  
3     we run our numbers (inaudible) shipping is going to  
4     be, but most of the time to get something to Amazon,  
5     you're about \$1.50 apiece. To get it to your  
6     customers, you're anywhere from 3 to 5 bucks apiece.  
7     So...

8           AUDIENCE: (Inaudible).

9           MIKE SCHREINER: Uh-huh.

10          AUDIENCE: (Inaudible).

11          MIKE SCHREINER: Absolutely. But you can't  
12     just hand-deliver it. You can't drive it in and drop  
13     it off at their center. It doesn't work that way.  
14     They -- they're not built to accept things. It has to  
15     be shipped to them.

16          AUDIENCE: (Inaudible).

17          MIKE SCHREINER: Depends on what it is. So  
18     if it's t-shirts, they have to be individually  
19     packaged and it has to be set to their standards,  
20     right? So Amazon tells you what it has to be for the  
21     FBA prep. But if we're doing FBM, it's just the  
22     shipping part I have to worry about. I'm (inaudible)  
23     the prep, so I don't have to have the ASIN number and  
24     have all that.

25          Now, if I'm doing t-shirts, let's say we do

1 have a great deal on some Nike t-shirts, right? Well,  
2 I have to package it in the right bag. I still have  
3 to have the label on there (inaudible) all of that  
4 stuff. I still have to have my ASIN number  
5 (inaudible) stuff. It still has to meet their  
6 standard for shipping.

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: Right, unless they're doing  
9 onesie-twosies, it just doesn't make sense. So, like,  
10 this one was a one-off, right? So it wouldn't make  
11 sense to send one product to Amazon when I could do it  
12 myself. It just doesn't make sense.

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Right. But that's -- yeah,  
15 that's a whole -- and we'll talk about that tomorrow.  
16 Today is just (inaudible).

17 AUDIENCE: (Inaudible) ship that product --

18 MIKE SCHREINER: We'll talk more about that  
19 tomorrow, because we're not dealing with things like  
20 that. Yeah, this is just retail arbitrage.

21 So here's the rule of thumb, guys, when it  
22 comes to retail arbitrage. You want small,  
23 lightweight products. You want products that are  
24 selling for \$20 or more in the buy box. The brand  
25 (inaudible) is not the only seller. Again, right now,

1 Amazon is not a seller, no big name brands.

2 See, big name brands, a lot of these brands  
3 are restricted. Now, to get a product unrestricted is  
4 just going to cost you money. And I've seen it  
5 anywhere from \$500 up to over \$7,000. In fact, last  
6 time I checked, to sell Nike t-shirts, there's a  
7 \$1,500 fee. You pay the fee, they'll let you sell a  
8 t-shirt. If I'm selling six t-shirts, it doesn't make  
9 sense for me to spend \$1,500 to sell six t-shirts.

10 Just because you can buy a product does not  
11 mean you can sell that product. Right now, garage  
12 sales will sell restricted, gated products all day  
13 long. But it's a whole different (inaudible). In  
14 fact, eBay is changing their format because right now  
15 eBay is letting you sell whatever you want, whether  
16 it's restricted or not, right, but they don't really  
17 have that. The problem is they're having challenges  
18 now trying to -- because they're trying -- that's why  
19 they're changing their business model because they  
20 want to become more business-minded so that  
21 manufacturers will start marketing with eBay.

22 So they're starting to change it where now  
23 they're restricting product lines as well. We'll talk  
24 about why things are restricted.

25 Again, I know Sellers Playbook always says

1 10 to 15 percent. I told you guys your rule of thumb  
2 should be what? What should be your bare minimum  
3 profit, guys?

4 AUDIENCE: (Inaudible).

5 MIKE SCHREINER: Fifteen percent. That's  
6 your bare, bare minimum. If you cannot make that --  
7 and I know right 10, 12, 15 percent may sound like a  
8 lot for some of you guys, but it's just not worth the  
9 hassle (inaudible). If you can't make at least that  
10 15 percent, markets change, prices will change, I  
11 don't want you getting yourself hurt. Okay?

12 And, then, again, you don't want to deal  
13 with products that are gated or restricted. We want  
14 them ungated, unrestricted. We'll talk about why and  
15 how to figure that out.

16 So here's a great online arbitrage. Let me  
17 show you a few of these, okay, because this might  
18 answer some of you guys' questions. This is one, I  
19 got it on Kmart, just (inaudible). Now, what is the  
20 number one problem with drones, guys?

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: Anyone know?

23 AUDIENCE: (Inaudible).

24 MIKE SCHREINER: They break. They break in  
25 shipping, don't they? They break all the time. That

1 is the number one problem with drones, guys, they  
2 break in shipping. So that's my thing when I'm  
3 talking about retail arbitrage, I would avoid stuff  
4 that breaks easily. But this is just one, we found it  
5 at Kmart. So it's funny, they always say -- you talk  
6 about coupons. Growing up as a teenager, my stepmom  
7 loved coupons. We had eight kids, two different  
8 families lived together, she loved to coupon shop.

9 I'll never forget, I went shopping with her  
10 one time, I was so embarrassed. We were going through  
11 the shopping line, and our bill came to \$380-something  
12 -- \$380, right, for our shopping cart. She stood  
13 there for 15 minutes and handed the lady all of these  
14 different coupons, and the store did what's called a  
15 double coupon, blah, blah, blah, so I was embarrassed  
16 as could be. We walked out of the store for under 50  
17 bucks.

18 Now as an adult and a business owner, I love  
19 coupons. I look for them all the time. So when it  
20 comes to retail and online arbitrage, you should all  
21 be joining the Kohl's dollars, right? The Kohl's  
22 rewards program, the JC Penney rewards program, the  
23 Sears rewards program, all these outlet stores that  
24 have the rewards coupon, you need to make them your  
25 best (inaudible).

1 AUDIENCE: Retail Me Not.

2 MIKE SCHREINER: Huh?

3 AUDIENCE: Retail Me Not.

4 MIKE SCHREINER: Retail Me Not, yeah.

5 Here's the thing with Kohl's. You get Kohl's -- now,  
6 how many of you guys shop Kohl's? Anybody? So Kohl's  
7 does their Kohl's dollars, right? So every time you  
8 buy, they give you a certain amount of dollars, and  
9 then you can cash those dollars in for what?  
10 Merchandise. So I can use their money to buy my  
11 products for me to make money? Where is the downside?  
12 See what I'm saying? So I always used to fight about  
13 it, but now I love it.

14 The same with the cash-back reward credit  
15 cards. Yeah, 5 percent cash back, I'll buy all day  
16 long with my credit cards. Let them give me that cash  
17 back and then I'll take that money and go buy more  
18 product. Thank you, Discover. See what I'm saying?

19 All right, so, this was found there. We  
20 scanned it in. So on the app, guys, it will pull up  
21 everything you need to know about the score. Now,  
22 here's the interesting thing, who has the buy box on  
23 this? You see any Prime members, yes or no?

24 AUDIENCE: No.

25 MIKE SCHREINER: No.



1 AUDIENCE: No.

2 MIKE SCHREINER: So this tells me two  
3 things. Number one, they are all FBM. How do I know  
4 they're FBM just by looking at this page -- this  
5 (inaudible)?

6 AUDIENCE: (Inaudible).

7 MIKE SCHREINER: Yeah, everyone's charged  
8 shipping on this. When we do Amazon and we're Prime,  
9 do they charge shipping?

10 AUDIENCE: No.

11 MIKE SCHREINER: No, it's all free shipping,  
12 right?

13 AUDIENCE: Right.

14 MIKE SCHREINER: So they're all FBM. But,  
15 again, the problem with the drones is they break.  
16 That's why nobody's doing FBA because Amazon knows  
17 they'll break in shipping. So there's a lot of issues  
18 (inaudible). But when you run the numbers, again,  
19 Amazon-fulfilled, 9.99; seller-fulfilled, 12.98. So  
20 if you can find a good product line like this and you  
21 can guarantee that they don't get broken in shipping,  
22 that's not a bad thing to go after. But if it does  
23 FBM and that product breaks in shipping, what do you  
24 now have to do immediately?

25 AUDIENCE: Replace it.

1           MIKE SCHREINER: You got to replace it. And  
2     you're eating it. You can't now go back to Kmart and  
3     say, man, I bought this and shipped it out to one of  
4     my customer (inaudible) shipped it to a customer,  
5     we're not going to pay for that. Right? But when you  
6     got it, it was fine.

7           AUDIENCE: (Inaudible).

8           MIKE SCHREINER: No, no, no, no. You can  
9     list two, three, five different products. Amazon  
10    knows this game. They know that people are picking  
11    these up on a deal and selling it. So it's not like  
12    that, and it's not like you're showing a product now.  
13    So if I've only got three in stock, then as soon as I  
14    sell those three products, I take that page down.  
15    Right, I'm not trying to sell something I don't have  
16    in stock. Immediate -- they will say, I've got three  
17    available. How many of you have shopped and you've  
18    seen all of a sudden under there, it says, you better  
19    order quick, right, there's only two around, right?

20          AUDIENCE: Yes.

21          MIKE SCHREINER: So not only is that a great  
22    sales tool, but it lets people know there's only two  
23    in stock.

24          AUDIENCE: (Inaudible).

25          MIKE SCHREINER: Nope. So in this business,

1 you can't -- even though it's restricted, just because  
2 it's like new or used, it's still a restricted item.

3 AUDIENCE: (Inaudible).

4 MIKE SCHREINER: Yeah, restricted is  
5 restricted, guys. Now, you can get things  
6 unrestricted, like I said, but more times than not,  
7 it's just the fee. Now, at Sellers Playbook, we  
8 actually have a ton of different product lines,  
9 unrestricted and ungated. So those of you that team  
10 up with Sellers Playbook, you can actually key into  
11 our products that we already have access to. So you  
12 don't have to pay the fee because we've already done  
13 it and you can fall under our family umbrella, you can  
14 get access to that immediately.

15 So Amazon will say, hey, we need to see the  
16 records, this is restricted. Great, here's the thing,  
17 even though it says Sellers Playbook, that's who you  
18 fall under, so you don't have to pay the fee and you  
19 can sell the restricted items.

20 AUDIENCE: (Inaudible).

21 MIKE SCHREINER: Uh-huh.

22 AUDIENCE: That had a sticker on it  
23 (inaudible).

24 MIKE SCHREINER: (Inaudible) sticker on top  
25 of it.

1 AUDIENCE: Okay.

2 MIKE SCHREINER: Yep. People know that I'm  
3 selling retail arbitrage. I mean, if people are  
4 buying that, they're buying it because they're getting  
5 a good deal. They don't care that it has a discount  
6 (inaudible) sticker on there. Most of the time we  
7 just put another sticker over the top of it.

8 Okay, so here's another one, guys. It's  
9 aprons. Again, this is off of the Kohl's website,  
10 sharing all my arbitrage, a ton of different styles to  
11 choose from, again, using the coupons from Kohl's.  
12 Now, when you run this, this product line right here,  
13 what do you see is wrong with that listing?

14 AUDIENCE: (Inaudible).

15 MIKE SCHREINER: Nope.

16 AUDIENCE: (Inaudible).

17 MIKE SCHREINER: What category does it say  
18 that it's under?

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: That's a problem. Is an  
21 apron a toy, yes or no?

22 AUDIENCE: No.

23 MIKE SCHREINER: No, but you got to make  
24 sure, guys, that your listing is right. Now, when we  
25 run the numbers on this one, Amazon-fulfilled, you're

1 making 1.94; seller-fulfilled, you're making 6.12.

2 There's not enough profit margin in this to do these  
3 aprons, but again, those of you who have little girls,  
4 how many different colored aprons would they need to  
5 have? They're not happy with just one color, are  
6 they?

7 My little girl, as she got older and she  
8 wanted to cook with mom, well, she had to have a pink  
9 one, and some day she didn't feel like pink, she  
10 needed purple. Some days she didn't do purple, she  
11 wanted red, right? So we had to buy multiple of those  
12 stupid aprons.

13 Now, this doesn't work onesie-twosies, but  
14 if somebody did this, which they did (inaudible) this,  
15 but let's just say somebody didn't. Let's just say I  
16 took three of them, bundled different colors together,  
17 and made a whole new product line. Now, number one, I  
18 had to create a whole new ASIN for it because no one  
19 else has got a bundle of three. It doesn't change my  
20 shipping cost, but my profitability is going to go up  
21 because I can sell it for more, still get a good  
22 discount on it, and it's a whole new ASIN, which means  
23 how much competition would I have? Zero.

24 So when we talk about some of the private  
25 label, guys, this is just an idea of what I'm talking

1 about. Somebody did do that. They bundled them up  
2 and sold them, but we all know nobody's buying just  
3 one of those, right? As a parent, if I can buy three  
4 at one shot and get a good deal, if you want to  
5 package three, I'll buy three all day long. So if  
6 nobody else did that, that's one of the things I would  
7 definitely do, knowing I'm going to make my money  
8 back, because I can't change what the buy box is  
9 selling for. I can't change what my shipping is, but  
10 I can change how I manipulate that or change the win.

11 AUDIENCE: (Inaudible).

12 MIKE SCHREINER: Yeah, they base it off of  
13 all of that, yeah. And I'll show you tomorrow how we  
14 actually calculate all of this.

15 So here's another one. How many of you have  
16 been to or seen Big Lots? They're everywhere, aren't  
17 they, right? So here's another deal that they had,  
18 right? Buy one, get one 50 percent off of this  
19 silverware. So, there are tons of different designs.  
20 You run the numbers on this again, it shows you what  
21 they're selling it for, what the buy box is. When you  
22 run it Amazon-fulfilled, they're paying 3.83; the  
23 seller-fulfilled, you're making 8.79.

24 So, again, still not a ton of profit margin,  
25 but if you moved a volume, then it still might be

1     worth it. The silverware, are they heavy or are they  
2     light?

3             AUDIENCE: Heavy.

4             MIKE SCHREINER: Heavy, so that will affect  
5     your shipping, especially when it comes to seller-  
6     fulfilled, because if someone orders two sets, that  
7     means your shipping is going to be a lot more than if  
8     you just order one. So that's the kind of stuff you  
9     got to look at.

10            Now, here's another one. This is an online  
11     liquidator, okay? So these guys do huge closeouts,  
12     but here's the problem with liquidators, and we'll  
13     talk more about this tomorrow. You're buying stuff by  
14     the bulk. You're buying stuff by the caseload. So  
15     there's a lot of times that liquidators, that they'll  
16     throw everything they can in that caseload. So I get  
17     emails all the time from different liquidators that  
18     I've done business from or with, but they'll send me  
19     emails all the time, and a lot of it is, like, hey,  
20     we've got these Home -- Home Depot seconds. That  
21     means anything that Home Depot sells, they just threw  
22     in this case.

23            Again, just because I can buy the product  
24     from these liquidators doesn't mean I can sell those  
25     products, right? Some of the stuff they're sending me

1 is -- is gated, some of it's restricted. And I'm not  
2 going to spend the money to unrestrict three different  
3 items (inaudible). So we've got to make sure that  
4 when we're doing online liquidators or any kind of  
5 liquidators that we know exactly what we're getting.

6 So this was all just these utensil sets. So  
7 they had -- you're buying in bulk again, they pay, so  
8 it's \$96 for 12 units, which is \$8 a unit. So when  
9 you run the numbers on this, again, these are selling  
10 for \$17 -- \$17, \$17, right? So when we look at this,  
11 Amazon-fulfilled, you're only making 2.72; seller-  
12 fulfilled, you're making 7.29. Because it's a big  
13 product, that will also affect your FBA (inaudible)  
14 because of the shipping part.

15 So, again, these are the kind of things  
16 you've got to take into account, but this is why we've  
17 got to run our numbers on everything. Do not assume  
18 anything. Verify and validate everything we do when  
19 it comes to your business.

20 This one here, this is a huge product line.  
21 How many of you in here have heard of Farberware.  
22 Right, they're huge, aren't they? They're everywhere.  
23 So if you look at this, this was on Kmart. Again,  
24 this is just online arbitrage. The regular price,  
25 39.99. They're selling them for 16 bucks a pop. Is



1       there some profit margin there, yes or no?

2               AUDIENCE: Yes.

3               MIKE SCHREINER: Yeah, just because we can  
4       get it for a screaming deal and we know that they're  
5       selling for 39.99. But when you run this, do you see  
6       anybody that's FBA?

7               AUDIENCE: No.

8               MIKE SCHREINER: No. And here's the  
9       problem, they're big and they're heavy. In fact,  
10      nobody even has the buy box on this. So not only do I  
11      know that they're all FBM, even though some of these  
12      are zero shipping, but look at the price (inaudible)  
13      58, 69, 71, 72. This is what I mean by if Amazon  
14      looks at it and they think everybody is too expensive,  
15      they're not going to give anybody the buy box because  
16      we know that the regular price is 39 bucks. None of  
17      these guys are even close to that. So if Amazon  
18      thinks it's too expensive, they're not going to give  
19      anybody -- but what these guys are counting on is  
20      because they all have zero shipping, they just added  
21      the shipping price into the price of the product,  
22      because it's expensive to ship those big pots. Don't  
23      try to do that, you're not going to win because  
24      Amazon's going to be like, no, that doesn't work,  
25      you're asking too much, we're not going to give

1 anybody the buy box. Make sense?

2 So, again, Amazon-fulfilled, 16.38; seller-  
3 fulfilled, 27.13. You could make good money on it,  
4 but you just got to know, again, what you're looking  
5 at.

6 AUDIENCE: (Inaudible) does that buy box  
7 (inaudible)?

8 MIKE SCHREINER: Nope. So what it means is  
9 someone's going to have to actually type in Farberware  
10 six-quart pot to find this. (Inaudible) you can't  
11 just type in cooking pots. It won't come up on the  
12 (inaudible).

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Correct, yeah. You can,  
15 but like I said, people have to specifically search  
16 for it, which 90 percent of the people shopping don't  
17 do. They put a cooking pot, whatever comes up on  
18 their buy box, that's what they're buying.

19 AUDIENCE: (Inaudible).

20 MIKE SCHREINER: Mm-hmm.

21 AUDIENCE: (Inaudible) prices that they were  
22 (inaudible) well beyond --

23 MIKE SCHREINER: That 39?

24 AUDIENCE: -- the 2 percent.

25 MIKE SCHREINER: Oh, yeah.

1 AUDIENCE: (Inaudible) but yet Amazon  
2 (inaudible).

3 MIKE SCHREINER: No, they'll permit it. You  
4 can ask for whatever you want, but that's why nobody  
5 had the buy box.

6 AUDIENCE: Okay. It's just a matter of  
7 (inaudible).

8 MIKE SCHREINER: Correct. But everyone's  
9 going to look at that and be like, hey, the regular  
10 price is 39, why in the world would I ever pay 50  
11 bucks for this pot. But, again, like I said, guys, 95  
12 percent of the people selling on Amazon have no idea  
13 what they're doing. And it's another example.

14 Ooh, how about this one here? Damaged  
15 boxes. Can you sell damaged boxes on Amazon, yes or  
16 no?

17 AUDIENCE: Yes.

18 MIKE SCHREINER: Yes. You can't sell  
19 damaged products, but you can sell damaged -- I'll  
20 tell you what, we picked up our 80-inch plasmas for a  
21 screaming deal because the box was damaged. The TV  
22 wasn't even touched, but they can't sell it for new  
23 because the box was damaged.

24 Guys, again, this is (inaudible) on doing  
25 retail arbitrage. We found this one on a clearance

1 rack. One box was in perfect condition; the second  
2 box was slightly damaged. We used hotel rewards cards  
3 and gift cards to buy the products. There was no  
4 money out of pocket. Bought both boxes. This is what  
5 it was selling for on Amazon, \$163 was the average  
6 price for that TV.

7 So when you run the numbers on this, here's  
8 the thing. Used acceptable, used like new. Who is  
9 the seller that's used like new?

10 AUDIENCE: (Inaudible).

11 MIKE SCHREINER: Amazon. Now, when I'm  
12 competing new, does Amazon now compete with me for the  
13 buy box, yes or no?

14 AUDIENCE: Yes.

15 MIKE SCHREINER: No. Remember, guys, we  
16 have to make sure we click new and used and Prime,  
17 right, when we're doing that. So just because we're  
18 listed on new and used does not mean that you're going  
19 to win the buy box if we're selling something new.  
20 They're going to still sell it, even though it's used  
21 like new or damaged box. But they're not the  
22 competition if we're doing something new.

23 And you'll see this tomorrow. This is why  
24 I'm pointing it out right now. You'll see it tomorrow  
25 when we look at some of the different live search for

1 some of the products. You'll see Amazon is a seller,  
2 but they're selling used products or they're selling  
3 damaged box products. They're not in competition for  
4 the buy box, even though it's Amazon. They still have  
5 to follow their rules. They're not above their own  
6 rules. Make sense? Okay.

7 So when you run the numbers on this one, the  
8 new box, we were making a 76 percent profit. The  
9 damaged box, we made a 74 percent profit. And both of  
10 those products sold in the first week that they were  
11 listed, even the damaged box.

12 All right, how about pet products? Are they  
13 big sellers, yes or no?

14 AUDIENCE: Yes.

15 MIKE SCHREINER: (Inaudible) right? Some  
16 people -- and I get it, too. We have a little beagle.  
17 She's been in our family for 13, 14 years. My wife  
18 loves this stupid dog. She is a howler. Holy cow.  
19 And she's just a grandma beagle right now, right, and  
20 everything, man (demonstrating), right, but then she  
21 howls at it. But I'll come home time -- sometimes  
22 from trips or (inaudible), she orders all sorts of  
23 little bows and new collars and all this crap for --  
24 guys, people spend a lot of money on their pets, don't  
25 they?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: And I get it. I mean, she  
3 is part of the family. So this one is just a grooming  
4 (inaudible), right? They're selling two of them for  
5 6.99 in the buy box. Oh, some of you have already  
6 looked at this. What this box is right here, guys,  
7 it's a -- it's a Chrome extension called Scamiloix.  
8 What that Chrome extension does, it's free, you can  
9 download it if you're searching. It has to be on the  
10 Chrome (inaudible) but it's just an extension called  
11 (inaudible) but it will tell me right up front what  
12 the BSR rank is so I don't have to scroll all the way  
13 down to the bottom right.

14 But when we run the numbers on this, too,  
15 the buy box is 6.99. So look it, these guys are  
16 selling it for \$2, \$1, \$2.48. Do you think they're  
17 winning that buy box, yes or no? Nope, because,  
18 again, they're not within 2 percent of the buy box  
19 price. The buy box is 6.99. Amazon, again, will not  
20 let this turn into a bidding war. They're not going  
21 to let people list it for \$2 trying to blow them out.

22 AUDIENCE: (Inaudible).

23 MIKE SCHREINER: Yep, always the first one.  
24 So when we see this right here, we know that 6.99,  
25 that's the buy box. Yeah. So all these other

1 sellers, even though they're selling it cheaper,  
2 doesn't count. They're not going to be winning it  
3 because they're not within 2 percent. But when you  
4 run the numbers on this, Amazon-fulfilled, 2.20;  
5 seller-fulfilled, 5 (inaudible). There's just not  
6 enough profit margin.

7 Now, here's the cool thing with this app.  
8 It will tell you on the app, it will also tell you on  
9 your laptop when it comes up, it's a slow-moving ASIN.  
10 So they're just not selling. So that's always going  
11 to have something I want (inaudible) invest any time  
12 putting my money into. Make sense? Pet products can  
13 be good, just not this one. And it will tell you up  
14 front.

15 How about this one? Coach handbags. You  
16 guys (inaudible) yes?

17 AUDIENCE: Yeah.

18 MIKE SCHREINER: Regular price, 225 bucks,  
19 for the bag.

20 (Laughter.)

21 AUDIENCE: (Inaudible).

22 MIKE SCHREINER: My wife loves them; I don't  
23 get it.

24 AUDIENCE: (Inaudible).

25 MIKE SCHREINER: I'm like, holy crap, that's

1 holding your junk and you're paying how much? But  
2 look at this, guys, the sale price on them, 135 bucks.  
3 Is there some profit margin there, yes or no?

4 AUDIENCE: Yes.

5 MIKE SCHREINER: Huge, right? So when you  
6 run your numbers on this one, on Amazon, they're  
7 selling for \$191. So, still, 135 versus 191, there's  
8 some profit margin there. When we run our numbers  
9 after all our fees, Amazon-fulfilled, we're still  
10 making 23 bucks a pop; seller-fulfilled, we're making  
11 27 a pop. But, again, here's the problem.

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: It's restricted.

14 AUDIENCE: Why would that be restricted?

15 MIKE SCHREINER: Because Coach doesn't want  
16 you selling their bags. In fact, when it comes to  
17 restricted, both the app and your laptop, your side,  
18 will tell you what it takes to get things  
19 unrestricted. You can unrestrict Coach bags, but  
20 you're going to pay an arm and a leg to have the right  
21 to sell their product.

22 Like I said, guys, there's always a fee.  
23 They do it because -- well, they restrict things for a  
24 couple reasons, just like they gate them. So  
25 categories get gated. And you'll see what I mean.



1 Sellers are required to obtain approval from Amazon  
2 before listing in certain product categories. For  
3 example, food supplements, cosmetics. There's a few  
4 categories you have to jump through a lot of hoops to  
5 get things ungated. To find out what are gated, you  
6 enter the ASIN number in the Seller Central account,  
7 add a product, and it'll tell you what you what you  
8 have to do to get them approved.

9 Food, groceries, that's a gated line, guys.  
10 That's a gated category. So if you don't know and you  
11 got a screaming deal on granola bars and you go to  
12 sell them and you find out that it's gated? Well,  
13 crap. I just bought a whole bunch of granola bars  
14 that I can't return now because it's food that I'm  
15 going to have to eat. So you better like them a lot.

16 Restricted, though. Amazon, again, wants me  
17 to know that it's a safe place for consumers to buy  
18 with confidence. So some sellers sell counterfeit  
19 products (inaudible). Here's the thing I'll tell you  
20 right now, guys. Counterfeit items, there is no gray  
21 line. You sell a counterfeit product on your store,  
22 whether you know it or not, they will shut you down.  
23 Here, you lose your store because you sell a  
24 counterfeit item, what do you think the chances are of  
25 you ever opening another store with Amazon?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Not going to happen. They  
3 are not going to be known as a company that sells  
4 counterfeit because that affects their business.  
5 Whether you know it or not, guys, ignorance is not an  
6 excuse. You can tell them, I didn't know. And  
7 they're going to be, like (inaudible) you're done.

8 So a perfect example of this is Nike t-  
9 shirts. There was a company, an Asian importer, that  
10 were sewing swishes on a bunch of t-shirts that were  
11 not Nike. They weren't built the same. The company  
12 wanted to sell them on Amazon, found out they were not  
13 Nike t-shirts, they shut them down. They lost their  
14 store (inaudible) and they were selling other product  
15 lines as well. Guys, that is not a gray line when it  
16 comes to Amazon. If you sell anything like that, they  
17 will shut you down (inaudible) you're done.

18 Don't do it anyway, guys. It's just not  
19 worth the risk. But there's four reasons why they  
20 restrict. Number one, counterfeit items. Number two,  
21 stolen from retail stores, right? People buying  
22 (inaudible) box in a truck at a Walmart, he's carrying  
23 a box off, right? (Inaudible) doesn't want a  
24 perceived value decrease or the (inaudible) sold its  
25 (inaudible) somewhere else.

1           So how many of you saw last year where Nike  
2       had to kiss the ring of Amazon? Because now you can  
3       buy Nike shoes where? On Amazon. For years and years  
4       and years, Nike would not let them or anybody sell  
5       Nike shoes on Amazon because they wanted to go into  
6       their store. The problem was they realized how much  
7       money they were losing by not selling on Amazon.

8           Now, the chances of you getting Nike shoes  
9       unrestricted on Amazon, it's not going to happen, but  
10      they sell a ton of them. My son, I told you he plays  
11      comp soccer. Every year, he has to buy the new cleats  
12      that come out, right, because every player, right, has  
13      to put out their own line of cleats. So he has to buy  
14      the new Messi's or new whatever, right? They're all  
15      Nike. You're -- you're paying 2-, 300 bucks a pop for  
16      those cleats, but you get the better deal on Amazon  
17      than he does going into the store now.

18           So that's what I mean, guys. Sometimes they  
19      do it because they want you back from the store.  
20      Other times, they'll do it where they're the only  
21      (inaudible). That's why things are restricted.

22           Now, prohibited items, alcohol, firearms,  
23      stuff like that, you can get things unprohibited.  
24      Like I'll tell you this, the last hunting knife I  
25      bought I bought on Amazon. But you better be in it if

1     you're doing anything like that to get (inaudible)  
2     because there's -- there's a lot of time and money  
3     that goes on to get something unrestricted -- or  
4     excuse me, unprohibited.

5             But restricted and gated, it's just a matter  
6     of jumping through hoops and paying fees to do it.  
7     Again, Sellers Playbook, we already got a lot of that  
8     in place. You can team up with us, you get access to  
9     those, or you can do it yourself. Either way, you  
10    just have to pay the fee to get the rights to sell  
11    their product lines in (inaudible) stores.

12            AUDIENCE: One-time fee?

13            MIKE SCHREINER: A one-time fee. Yep.

14            AUDIENCE: (Inaudible).

15            MIKE SCHREINER: Categories.

16            AUDIENCE: (Inaudible).

17            MIKE SCHREINER: Correct. You can get  
18    things ungated. Yeah, there's just a lot of -- when  
19    it comes to a gated category, like groceries, there's  
20    a lot of hoops you have to jump through, and you have  
21    to pay a lot of fees to get that ungated.

22            AUDIENCE: (Inaudible).

23            MIKE SCHREINER: No, because every one of  
24    them's different, just like the restriction. It's  
25    just a matter of paying a fee and getting the right

1 (inaudible). But like I said, the last time I checked  
2 with Nike, just to sell their t-shirts, it's 1,500  
3 bucks. So unless you're going to sell a ton of those  
4 t-shirts, it doesn't make sense to spend that money.

5 So that's what I'm saying is you can get  
6 them, but like I said, more times than not, it's  
7 (inaudible). But the biggest problem you're going to  
8 find with retail and online arbitrage, guys, are these  
9 two things -- it's not duplicatable, it's not  
10 predictable. Retail and online arbitrage really is  
11 for one-hit deals. So like I said, all you want to do  
12 is make a couple extra hundred bucks a month, stay  
13 with retail arbitrage. You want to do more than that,  
14 you got to move on to wholesale and liquidation we're  
15 going to talk about tomorrow.

16 The great thing with retail arbitrage,  
17 though, is, look, you buy something and it doesn't  
18 sell, keep your receipts, right? Take the two, three  
19 products back, get your money back, move on from  
20 there. There's no loss. That's why I like teaching  
21 you guys to start with that retail and online  
22 arbitrage. It's a great place to start if you have  
23 zero experience.

24 Now, those of you that team up with us, we  
25 can get you going in wholesale and liquidators

1 quickly. If you're going to do it on your own,  
2 though, you got to start with this because (inaudible)  
3 get your feet wet and then move on. Make sense?

4 So any questions on retail and online  
5 arbitrage, anything we've talked about up to this  
6 point?

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: Yes.

9 AUDIENCE: (Inaudible).

10 MIKE SCHREINER: I can't tell you, but  
11 tomorrow I'll show you what they are and how they work  
12 and you can decide. Yeah, I just (inaudible).

13 AUDIENCE: (Inaudible).

14 MIKE SCHREINER: Scamiloix, S C A M I L O I  
15 Z E. Scamiloix. It's a -- it's a -- it's a free  
16 extension of Google Chrome. But you'll see why and  
17 it's so nice (inaudible).

18 All right, guys, I'm going to give you guys  
19 some homework to do before I let you go here tonight.  
20 The first thing, in five years, you will have  
21 (inaudible). The question is where (inaudible). And  
22 here's what I mean, guys. Five years is going to come  
23 and go. If you don't know where you want to be in  
24 five years ago, guess what, you're there. How many of  
25 you planned five years to be sitting in a ballroom

1 with me? See what I'm saying?

2 Guys, time's going to pass us by. If we  
3 don't -- if we don't have a plan of action, we have no  
4 idea where we want to be in five years, then you're  
5 going to be in the same place looking at the same face  
6 five years from now. Hey, guys, if your goal is to  
7 quit your job and you think maybe I'll hang at my job  
8 for the next five years, you're -- you want -- you  
9 want the easy way to figure out where you'll be in  
10 five years at your job, find the person who was hired  
11 five years before you.

12 AUDIENCE: (Inaudible).

13 MIKE SCHREINER: Right? I mean, do they  
14 have to show up at the same time you show up, yes or  
15 no? Yeah, right? Are they making a ton more money  
16 than you? Probably not. But that's your future. So  
17 if you guys know where you want to be in five years,  
18 jot something down and figure it out.

19 The other part of your homework tonight, you  
20 need to run your numbers. And this is what I mean by  
21 your numbers. If your goal is to quit your job in two  
22 years, if your goal is to quit your job in six months,  
23 you need to figure out, all right, so that means how  
24 much money do I have to have coming in every single  
25 month so I can walk away from my job. Then we run our

1 numbers backwards. That means how many product lines  
2 do I have to have or how much profit do I need to make  
3 on every one of my products to be able to have that  
4 money coming in every single month.

5 Because some of you guys said, when we were  
6 talking about your why's, you want to travel. Hey,  
7 that's great. If you want to go to Europe for two  
8 months, that means how much money do you have to have  
9 to be able to step away and not have to worry about  
10 your money? So you need to figure out your numbers.  
11 It's going to be absolutely different for everybody.  
12 But when you sit down with your consultant tomorrow,  
13 they need to know what your goal is, they need to know  
14 where you want to be in five years, or they can't help  
15 you.

16 Then I want you guys setting up your  
17 seller's account. I want you downloading the app as  
18 well. I also recommend you continuing to raise your  
19 seed capital, whether you do the WCAP funding or you  
20 do it on your own, because number one, guys, you're  
21 getting -- you never have access to too much money.

22 Number two, if you run into some issues  
23 during this weekend, we're here to help. So we want  
24 to make sure we can get it taken care of right now so  
25 we can not delay your success path. So you need -- I



1 would continue on with that. I know over lunchtime  
2 there was a lot you had to do, right? And I know some  
3 of you are already overwhelmed, so take some time  
4 tonight, when you don't feel like you're under the  
5 gun, and do some more of that.

6 Now, a couple of things that I do want to  
7 talk about as well. A couple -- a piece of homework I  
8 want you to do is I want you to watch the YouTube of  
9 the book Who Moved My Cheese. Has anybody in here  
10 read the book before? Oh, really? Has it been longer  
11 than six months? Okay, if it's been longer than six  
12 months, watch the video.

13 The video -- you can YouTube just Who Moved  
14 My Cheese. There's now 18 to 25 different videos.  
15 They're all little cartoons. They're all about 18, 20  
16 minutes long. Pick one or two of them and watch them.  
17 I think it's more important today and more valuable  
18 today than it was when he wrote the book almost 30  
19 years ago. In fact, my kids' school, it is required  
20 reading in sixth grade to read the book Who Moved My  
21 Cheese. But it's a great mindset.

22 After you do the five years and after you  
23 watch the Who Moved My Cheese, the other piece of  
24 homework I'm going to have you do, that -- that one  
25 there second to the bottom, your seven levels deep

1 exercise. What the seven levels is intended to do is  
2 to drive down and figure out your true why to be in  
3 this business. Look, you've heard me say it several  
4 times today, it's not about the money. Because if  
5 you're doing this just for the money, once the money  
6 comes, now what?

7 AUDIENCE: (Inaudible).

8 MIKE SCHREINER: And there's going to be  
9 some hiccups along the road, yes or no? Yeah, and if  
10 you don't have a true reason for why you're here,  
11 guys, you're going to give up. I see it all the time.  
12 People throw the towel in, right (inaudible) work.  
13 And it works. You've got to be able to push through  
14 it. So this is going to teach you to set that true  
15 goal. In fact, my wife laughs at me to this day. You  
16 get in my shower at home, on the back wall of my  
17 shower, under a wrap, I set my goals, because I'm at a  
18 point in my life now, I don't have to do it, but every  
19 day I got to stay motivated, right, I got to stay  
20 sharp with my own business. So this is intended to  
21 figure out what your true why is.

22 Now, all of you are going to get these  
23 pieces of paper tonight from your consultants.  
24 There's two pages. On the second page, it's going to  
25 show you what the first page needs to look like. I do

1 not want anyone coming in tomorrow with their first  
2 page looking exactly like the second page. You'd be  
3 amazed (inaudible). I need you to make it your own.  
4 This is why, though, I want you to do the five years,  
5 Who Moved My Cheese, then the seven levels, because if  
6 you do the seven levels first, I think you're going to  
7 want to change it after you watch Who Moved My Cheese  
8 because a lot of that mindset, those of you that read  
9 the book, you know exactly what I'm talking about,  
10 right?

11 So tomorrow morning, guys, we're going to  
12 start with a discussion about both of these, the Who  
13 Moved My Cheese and the seven levels. If you don't do  
14 your homework tonight, you will be so lost when it  
15 comes to our discussion tomorrow. But everything that  
16 I'm telling you guys to do on the screen behind me,  
17 all of this homework is intended to take about an hour  
18 to an hour and a half of your time. That's it. If  
19 you want to take more time to do more of this, it's  
20 only going to be more for you. The more time you put  
21 into this, the more you're going to get out of it,  
22 right, when you get what you give. Does that make  
23 sense?

24 So spend some time tonight and do these two  
25 things. What's going to happen here tonight, though,

1 is we're going to have a meeting one more time with  
2 your consultant. You're going to meet with your  
3 consultant, wherever it was and whoever it was you met  
4 with at lunch, you're going to meet with them at the  
5 same spot when I finish up.

6 They're going to give you these two pieces  
7 of homework, okay, and they're going to follow up with  
8 you to make sure you have an appointment time  
9 (inaudible) so you know where you should be. Look,  
10 there's about, I don't know, 30-something of you guys,  
11 and there's four or five of them. Okay, so when you  
12 have your appointment time, make sure you're there and  
13 you show up on time. If you're late and you show up  
14 for the next appointment, they're just going to  
15 (inaudible) and then have to try to figure out a time  
16 (inaudible). Make sense?

17 AUDIENCE: Yep.

18 MIKE SCHREINER: Because here's the biggest  
19 thing, guys, look, opportunity is placed in front of  
20 all of us. But some of life's greatest losses are  
21 those of missed opportunity. In fact, most of us  
22 don't even realize there was such a good opportunity  
23 until after (inaudible). Right?

24 And one of the things I want to talk about  
25 is that someday is today. It's right now, guys, but

1 the real tragedy is the lack of early financial  
2 training. Early financial education is what really is  
3 hurting us, the biggest risk faced by middle class  
4 America. And the reason is? Your livelihood now  
5 becomes completely dependent on your employer.

6 And let me just twist that a little bit  
7 because you will now become nothing more than a puppet  
8 on a string that can be cut at any moment for any  
9 reason. Because I'm telling you right now, guys,  
10 until you have skin in the game, right, nobody's going  
11 to work as hard as you're going to work to take care  
12 of you and your family. Nothing scares me more than  
13 handing the reins, the keys over to my financial  
14 driving to somebody else and say, here, please take  
15 care of my family. I want to be in control.

16 But it comes down to who you're going to let  
17 drive, guys. If you knew you could not fail, what  
18 would you do? And here's the thing, your success, is  
19 it important or imperative? And only you can decide.  
20 And here's what I found, not only in my business but  
21 doing these trainings long enough now, if it's  
22 important to you, you find a way. If it's not  
23 important, you're just going to keep finding new  
24 solutions.

25 And, look, we all know we can either make

1 money or you can make excuses, but you can't do both.  
2 It's something I want to hear right now, someday,  
3 because I heard a lot of it this morning, someday I  
4 want to do this or that's something I want (inaudible)  
5 someday I want to be able to quit my job. I know on  
6 my calendar and your calendars, I have Monday,  
7 Tuesday, Wednesday, Thursday. I've even started --  
8 I've even seen Friday, Saturday, and Sunday. But  
9 nowhere in those seven days is there a someday. Guys,  
10 all someday is, it's (inaudible) of the week; it's  
11 just an excuse. And that's what it comes down to.  
12 You can either keep making excuses or you can start  
13 making money. The choice is yours.

14 Read this quote. Read it out loud.

15 AUDIENCE: (Many reading at once).

16 MIKE SCHREINER: You think Warren Buffett  
17 knows what he's talking about? Warren Buffett and  
18 Tony Robbins are huge (inaudible) no excuses, right?  
19 Warren Buffett said several times, if you're bored in  
20 this life, it's not (inaudible). You die for, it's on  
21 your shoulders. Look, tomorrow morning, I'm going to  
22 start at 9:00 a.m. Some of you all have appointments  
23 before that. And, again, be here, be on time. Okay?

24 How many of you all learned something here  
25 today?

1 AUDIENCE: (Inaudible).

2 MIKE SCHREINER: Are we still having fun?

3 (Applause.)

4 MIKE SCHREINER: (Inaudible) before the  
5 break, make sure you meet with them at lunch. They're  
6 going to (inaudible) that information.

7 MR. TYNDALL: Do you want to meet outside?

8 UNIDENTIFIED MALE: Let me get my stuff.

9 MR. TYNDALL: You want to meet outside?

10 MIKE SCHREINER: Other than that, have a  
11 great night, guys.

12 AUDIENCE: You, too.

13 UNIDENTIFIED MALE: Yeah, I could -- I'm  
14 just -- I just want to get -- I just want to get my  
15 bag.

16 I'll walk over with you.

17 MR. TYNDALL: Okay.

18 (Background conversations and mingling.)

19 MR. TYNDALL: Oh, thank you.

20 MIKE ETHINGTON: You guys get this one,

21 J [REDACTED]? Here's that for you.

22 MR. TYNDALL: Oh.

23 MIKE ETHINGTON: Who Moved My Cheese, do you  
24 have that? You need that one?

25 Okay, everyone else got this one?

1 MR. TYNDALL: I -- I have one.

2 MIKE SCHREINER: You need that?

3 MR. TYNDALL: Yeah.

4 MIKE SCHREINER: Cool. All right.

5 Okay, I know you guys are tired and you want  
6 to get out of here, so I'll go over this really  
7 quickly. First, I have a few appointment cards that I  
8 didn't catch you at lunch. Betty and Santiago? Here  
9 you go, sir.

10 Anna?

11 Elizabeth and (inaudible)?

12 And then Alberto. All right.

13 Okay, so, Elizabeth, you guys are tonight,  
14 so if you'll hang out with me about ten minutes after  
15 this meeting is over, that book, awesome.

16 UNIDENTIFIED MALE: Perfect.

17 MIKE ETHINGTON: Okay, so real quick, on the  
18 why (inaudible) like Mike said, you'll just fill out  
19 the top portion, the example is underneath. This  
20 one's the most important, it's a priority one. The  
21 reason is when we sit down tomorrow in our  
22 consultation, the first thing that I'm going to ask  
23 you for is this. I'll have you read through it, and  
24 then I'll take some notes and maybe ask you some more  
25 questions about it. Okay? This will really help



1 determine what your motivation and what our why is. I  
2 talked about mine earlier, about my father passing and  
3 not having time with the kids, so that was kind of my  
4 driving force. So figure out what that driving force  
5 is for you as well, all right?

6 And then Who Moved My Cheese, the easiest  
7 way to do it is to watch it. You're going to get more  
8 out of it if you read it, but it's going to take you  
9 about twice the time. It will take more like 20 to 30  
10 minutes as opposed to 10 minutes if you watch it.  
11 Okay? So have that ready to go.

12 If you did not do your CreditNav at lunch,  
13 please do that tonight so that when you come in  
14 tomorrow I know what your score is. And then that way  
15 I can help you with funding access for your business.  
16 Okay? My mentor taught me it's better to have it and  
17 not need it than need it and not have it. Right? And  
18 that's been really, really good advice for me.

19 When I was standing here, I thought I had a  
20 reasonable amount of money that I was prepared with,  
21 but I'm glad that my mentor taught me to still go out  
22 and get additional credit cards, increase my limits,  
23 apply for new cards, because as I had prepared  
24 financially, opportunities came along that I could  
25 take advantage of, and it helped me to make a lot more

1 money with the money that I had. Okay?

2 Another thing I love about credit cards,  
3 it's just a loan in your back pocket. It's a quick  
4 thing that you can do. If you've got good credit and  
5 you can get a 0 percent interest on promo card for 12  
6 to 24 months, which is free money to use during that  
7 time frame. And we'll talk more about that  
8 individually tomorrow. Okay?

9 But this weekend, my commitment to you, I'm  
10 going to give you 100 percent. So I'm going to give  
11 you everything I got. I only do this about one  
12 weekend out of the month. Other than that, I'm doing  
13 my music, I'm with my kids, and I sell on Amazon, all  
14 right? So while I'm with you this weekend, I want to  
15 make that time as effective for you as possible. In  
16 return, though, I hope you'll give 100 percent.

17 You're going to get out of this what you put  
18 into it, like Mike said, and if you follow through and  
19 you do the homework and you do the assignments, it's  
20 really going to help you out. If you show up tomorrow  
21 in a consultation and you don't have your homework  
22 done, what does that tell me about you?

23 UNIDENTIFIED MALE: (Inaudible).

24 MIKE ETHINGTON: Yeah, it tells me, man, you  
25 don't care so much, you know, and it's hard for me to

1 care about you if you don't care about yourself.  
2 Okay? So please be prepared, please be on time. I'm  
3 going to be punctual as well. I'll stay on schedule  
4 for you. And -- and I'll look forward to helping you  
5 out this week. All right? Have a great night. We'll  
6 see you tomorrow.

7 UNIDENTIFIED MALE: Thank you.

8 (Background conversations and mingling.)

9 (The recording was concluded.)  
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DATE: 6/15/2018

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